

FORM <b>BE-12(LF)</b> (REV. 12/2002)		U.S. DEPARTMENT OF COMMERCE BUREAU OF ECONOMIC ANALYSIS									
<b>BENCHMARK SURVEY OF FOREIGN DIRECT INVESTMENT IN THE UNITED STATES — 2002 (LONG FORM)</b>											
<b>ELECTRONIC FILING</b>	See our web site at <b>www.bea.gov/astar</b> for details.										
<b>MAIL REPORTS TO</b>	OR U.S. Department of Commerce Bureau of Economic Analysis, BE-49(A) Washington, DC 20230										
<b>DELIVER REPORTS TO</b>	OR U.S. Department of Commerce Bureau of Economic Analysis, BE-49(A) Shipping and Receiving Section, M100 1441 L Street, NW Washington, DC 20005										
<b>Important</b> <b>CHANGE IN REPORTING REQUIREMENTS</b> — Starting with the 2002 BE-12, U.S. affiliates that are minority-owned by foreign parents should not file Form BE-12(LF). Most minority-owned U.S. affiliates must file Form BE-12(SF).  Read the <b><i>Instruction Booklet</i></b> before completing this form. Definitions of affiliate, U.S. affiliate, business enterprise, foreign parent, minority-owned, majority-owned, etc., are found on page 7 of the booklet. <b>Insurance companies</b> see special instructions on pages 8 and 9 of the booklet. <b>Additional instructions</b> by line item are at the back of this form.											
<b>1. PLEASE REVIEW THE QUESTIONS BELOW TO DETERMINE IF YOUR U.S. BUSINESS IS REQUIRED TO FILE FORM BE-12(LF).</b> <b>1a.</b> Were at least 10 percent of the voting rights in your business directly or indirectly owned by a foreign person at the end of your 2002 fiscal year? (See <b>2</b> below for fiscal year definition) <input type="checkbox"/> Yes — <i>Go to question 1b.</i> <b>NOTE: Your business is hereinafter referred to as a "U.S. affiliate."</b> <input type="checkbox"/> No — You are not required to file Form BE-12(LF) but may be required to file Form BE-12(X); see <b><i>Instruction Booklet</i></b> , page 6, instruction I.A.4. <b>1b.</b> Did <b>any one</b> of the items--Total assets, Sales or gross operating revenues, or Net income (loss)--for the U.S. affiliate (not just the foreign parent's share) exceed \$10 million at the end of, or for, its 2002 fiscal year? (Real estate companies see <b><i>Instruction Booklet</i></b> , page 6, instruction I.C.) <input type="checkbox"/> Yes — <i>Go to question 1c.</i> <input type="checkbox"/> No — You are not required to file Form BE-12(LF) but are required to file Form BE-12(X); see <b><i>Instruction Booklet</i></b> , page 6, instruction I.A.4. <b>1c.</b> Is the U.S. affiliate a bank or bank holding company? <input type="checkbox"/> Yes — You are not required to file Form BE-12(LF) but are required to file Form BE-12 BANK by May 31, 2003; see <b><i>Instruction Booklet</i></b> , page 6, instruction I.A.3. <input type="checkbox"/> No — <i>Go to question 1d.</i> <b>1d.</b> Was the U.S. affiliate <b>majority-owned</b> by foreign parents at the end of its 2002 fiscal year? (A U.S. affiliate is "majority-owned" if the combined direct and indirect ownership interests of all foreign parents of the U.S. affiliate exceed 50 percent.) <input type="checkbox"/> Yes — <i>Go to question 1e.</i> <input type="checkbox"/> No — You are not required to file Form BE-12(LF) but are required to file Form BE-12(SF) by May 31, 2003; see <b><i>Instruction Booklet</i></b> , page 6, instruction I.A.2. <b>1e.</b> Did <b>any one</b> of the items--Total assets, Sales or gross operating revenues, or Net income (loss)--for the U.S. affiliate (not just the foreign parent's share) exceed \$125 million at the end of, or for, its 2002 fiscal year? <input type="checkbox"/> Yes — You are required to file Form BE-12(LF) by May 31, 2003. <input type="checkbox"/> No — You are required to file Form BE-12(SF) by May 31, 2003; see <b><i>Instruction Booklet</i></b> , page 6, instruction I.A.2.											
<b>2. U.S. AFFILIATE'S 2002 FISCAL YEAR</b> — The affiliate's financial reporting year that had an ending date in calendar year 2002.											
<b>3. CONSOLIDATED REPORTING</b> — A U.S. affiliate must file on a fully consolidated <b>domestic U.S.</b> basis, including in the consolidation all nonbank <b>U.S. affiliates</b> in which it directly or indirectly owns more than 50 percent of the outstanding voting interest. The consolidation rules are found on page 25 at the back of this form.											
<b>4. ASSISTANCE</b> — Telephone: 202-606-5577; FAX: 202-606-5319; E-mail: <b>be12/15@bea.gov</b>											
<b>5. DUE DATE</b> — A completed report on Form BE-12(LF) is due no later than May 31, 2003.											
<b>6. GENERAL NOTES</b> <b>a.</b> Report figures such as the number of acres and the number of employees to the nearest whole unit. <b>b.</b> Report currency amounts in U.S. dollars rounded to thousands (omitting 000). <b>Do not enter</b> amounts in the shaded portions of each line. <b>EXAMPLE</b> — If amount is <b>\$1,334,615.00</b> , report as <table><tr><td>Bil.</td><td>Mil.</td><td>Thous.</td><td>Dols.</td></tr><tr><td></td><td><b>1</b></td><td><b>335</b></td><td></td></tr></table> <b>c.</b> If an item is between + or – \$500.00 enter "0." <b>d.</b> Use parentheses to indicate negative numbers.				Bil.	Mil.	Thous.	Dols.		<b>1</b>	<b>335</b>	
Bil.	Mil.	Thous.	Dols.								
	<b>1</b>	<b>335</b>									
<b>PERSON TO CONSULT CONCERNING QUESTIONS ABOUT THIS REPORT — Enter name and address</b> Name 1000 1 Address  TELEPHONE NUMBER 1001 1 Area code 2 Number 3 Extension FAX NUMBER 4 Area code 5 Number		<b>CERTIFICATION</b> — The undersigned official certifies that this report has been prepared in accordance with the applicable instructions, is complete, and is substantially accurate except that, in accordance with instruction III.G. on page 8 of the <b><i>Instruction Booklet</i></b> , estimates may have been provided. Authorized official's signature Date Print or type name and title Telephone number FAX number									
May we use e-mail to correspond with you to discuss questions relating to this Form BE-12(LF), including questions that may contain information about your company that you may consider confidential? (Note that electronic mail is not inherently confidential; we will treat information we receive as confidential, but your e-mail is not necessarily secure against interception by a third party.)		1027 1 <input type="checkbox"/> Yes — <i>If yes, please provide your e-mail address. —&gt;</i> 1028 1 <input type="checkbox"/> No E-mail address 1									

Part I

IDENTIFICATION OF U.S. AFFILIATE — Continued

7. Form of organization of U.S. affiliate — Mark (X) one

1011

1

Incorporated in U.S.

Reporting rules for unincorporated affiliates are found in instruction 7 on page 26 at the back of this form.

1

2

U.S. partnership

1

3

U.S. branch of a foreign person

1

4

Limited Liability Company

1

5

Real property not in 1–4 above

1

6

Business enterprise incorporated abroad, but whose head office is located in the United States and whose business activity is conducted in, or from, the United States

1

7

Other — Specify

8. U.S. affiliates fully consolidated in this report — The consolidation rules are found on page 25.

If this report is for a single unconsolidated U.S. affiliate, enter "1" in the box below. If more than one U.S. affiliate is fully consolidated in this report, enter the number of U.S. affiliates fully consolidated. Hereinafter they are considered to be one U.S. affiliate. **Exclude from the full consolidation all minority-owned U.S. business enterprises, and all foreign business enterprises owned by this U.S. affiliate.** Include such affiliates in this report on the equity basis, or cost basis if less than 20 percent owned. Except as noted in the consolidation rules on page 25, more-than-50-percent-owned U.S. affiliates must be fully consolidated in this report unless permission has been received in writing from BEA to do otherwise; those not fully consolidated must file a separate Form BE-12(LF), BE-12(SF), BE-12 BANK, or BE-12(X).

1012

1

Number — If number is greater than one, complete the Supplement A.

9. U.S. affiliates NOT fully consolidated — See instruction 9 on page 27 at the back of this form.

Number of U.S. affiliates in which this U.S. affiliate has an ownership interest that ARE NOT fully consolidated in this report.

1013

1

Number — If number is not zero, complete Supplement B. The U.S. affiliate named in item 1 must include data for such U.S. affiliates in this report on an equity basis, or cost basis if less than 20 percent owned, and must notify such other U.S. affiliates of their obligation to file a Form BE-12(LF), BE-12(SF), BE-12 BANK, or BE-12(X) in their own names.

10. Does this U.S. affiliate own any foreign operations?

1014

1

Yes

If "Yes" — Do not consolidate foreign operations in this report; report foreign operations on an equity basis, or cost basis if less than 20 percent owned. Reporting rules for foreign operations are found in instruction 3a on page 25 at the back of this form.

1

2

No

11. Did this U.S. affiliate acquire or establish any U.S. business enterprises or segments during the reporting period that are now contained in this report on a fully consolidated basis, merged into this U.S. affiliate, or reflected as an equity investment?

1015

1

Yes

If "Yes" — File a Form BE-13 to reflect each acquisition if you have not done so already. Forms can be found at: [www.bea.gov/bea/surveys/fdiusurv.htm](http://www.bea.gov/bea/surveys/fdiusurv.htm)

1

2

No

12. Did this U.S. affiliate sell or otherwise transfer ownership of any of its U.S. subsidiaries, operating divisions, segments, etc., during its fiscal year that ended in calendar year 2002?

1016

1

Yes

1

2

No

IMPORTANT NOTE — Complete columns 3 and 4 ONLY if the percentage of direct voting interest in columns 1 and 2 DOES NOT match the direct equity interest.

"Voting interest" and "equity interest" are defined in instructions 13–17 on page 27 at the back of this form.

Ownership — Enter percent of ownership, to a tenth of one percent based on voting stock and equity interest for an incorporated affiliate or an equivalent interest for an unincorporated affiliate, in this U.S. affiliate.

13. Ownership held directly by all foreign parents of this affiliate —Give name of each foreign parent (if more than 4, continue on a separate sheet.)

a.

1017

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2

3

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b.

1018

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c.

1019

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d.

1020

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%

14. Ownership held directly by all U.S. affiliates of the foreign parents — If you put an entry in column (1) or (2), complete items 18–21 below.

1060

1

2

3

4

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%

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%

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%

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%

15. Ownership held directly by all other U.S. persons

1061

1

2

3

4

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%

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%

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%

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%

16. Ownership held directly by all other foreign persons

1062

1

2

3

4

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%

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%

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%

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%

17. TOTAL of directly held ownership interests — Sum of items 13 through 16

100.0%

100.0%

100.0%

100.0%

If there is an entry in item 14, column (1) or column (2) — Enter in items 18-21 below, the name(s) and percentage(s) of ownership of each U.S. affiliate holding a direct ownership interest in this U.S. affiliate (if more than 4, continue on a separate sheet). Also, for each ownership chain, enter the name of each U.S. affiliate that is directly owned by a foreign parent.

U.S. affiliate holding direct ownership interest in this U.S. affiliate

Name

(a)

Percent direct voting ownership in this U.S. affiliate (For the close of each fiscal year, the sum of these percentages for all direct owners must equal item 14, columns (1) and (2).)

Close FY 2002 (b)

Close FY 2001 (c)

U.S. affiliate in ownership chain that is directly owned by a foreign parent

Name

(d)

BEA USE ONLY

(e)

18.

1063

1

2

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%

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%

3

19.

1064

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%

3

20.

1065

1

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3

21.

1066

1

2

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%

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%

3

BEA USE ONLY

1070

1

2

3

4

5

Page 2

FORM BE-12(LF) (REV. 12/2002)

Part I

IDENTIFICATION OF U.S. AFFILIATE — Continued

22. Major activity of fully consolidated U.S. affiliate — Mark (X) one

Select the one activity below which best describes the major activity of the fully consolidated U.S. affiliate. For an inactive affiliate, select the activity based on its last active period; for "start-ups," select the intended activity.

1072

1

☐

1

Producer of goods

1

2

☐

2

Seller of goods you do not produce

1

3

☐

3

Producer or distributor of information

1

4

☐

4

Provider of services

1

5

☐

5


Real estate

1

6

☐

6

Other— Specify 

23. What is (are) the major product(s) and/or service(s) involved in this activity? If a product, also state what is done to it, i.e., whether it is mined, manufactured, sold at wholesale, transported, packaged, etc. (For example, "manufacture widgets to sell at wholesale.")

1163 1

Industry classification of fully consolidated U.S. affiliate (based on sales or gross operating revenues) — Enter the 4-digit International Surveys Industry (ISI) code(s) and the sales (as defined in item 59 on page 6) associated with each code. For a full explanation of each code, see the *Guide to Industry and Foreign Trade Classifications for International Surveys, 2002*. If you use fewer than ten codes, you must account for total sales in items 24 through 32. For an inactive affiliate, show the industry classification(s) based on its last active period; for "start-ups" with no sales, show the intended activity(ies).

Holding companies (ISI code 5512) must show total income as reported in item 63 on page 6. Note, that a U.S. affiliate that is a conglomerate must determine its industry code based on the activities of the fully consolidated U.S. business enterprise. The "holding company" classification, therefore, is often an invalid industry classification for a conglomerate.

Book publishers and Real Estate Investment Trusts (REITs) — See instructions for items 24 through 37 on page 27 at the back of this form.

Employment — Include in column (3) all employees, including part-time employees, on the payroll at the end of FY 2002, associated with each code. (For employees engaged in manufacturing activities, also see the instructions for column (4) of the state schedule located at the top of page 13). A count taken at some other date during the reporting period may be given provided it is a reasonable proxy for the number on the payroll at the end of the fiscal year that ended in calendar year 2002. Reporting employment (including how to report when employment is subject to unusual variations) is discussed in more detail under the instructions for items 170–227 on page 29 at the back of this form.

NOTE:

For most U.S. Reporters, the employment distribution in column (3) is not proportional to the sales distribution in column (2). Therefore, do not distribute employment by industry simply by multiplying total employment by the percentage of distribution of sales.

	ISI code (1)	Sales (2)				Number of employees engaged in activities encompassed in each industry code in column (1) (3)
		Bil.	Mil.	Thous.	Dols.	
24. Enter code with largest sales	1164	2				3
		\$				
25. Enter code with 2nd largest sales	1165	2				3
26. Enter code with 3rd largest sales	1166	2				3
27. Enter code with 4th largest sales	1167	2				3
28. Enter code with 5th largest sales	1168	2				3
29. Enter code with 6th largest sales	1169	2				3
30. Enter code with 7th largest sales	1170	2				3
31. Enter code with 8th largest sales	1171	2				3
32. Enter code with 9th largest sales	1176	2				3
33. Enter code with 10th largest sales	1177	2				3
34. Number of employees of administrative offices and other auxiliary units —  Number of employees at corporate headquarters, central administrative, and regional offices located in the U.S. that provide administration and management or support services for the consolidated U.S. affiliate. Support services include accounting, data processing, legal, research and development and testing, and warehousing. Also include employees located at a U.S. operating unit that provide administration and management or support services to more than one U.S. operating unit. Do not include employees located at a U.S. operating unit that provide administration and management or support services for only the operating unit at which they are located. Instead, report such employees in column (3) of items 24 through 33 above on the line(s) in which column (1) shows the industry(ies) of the operating unit(s) where these employees are located.	1178					3
35. Sales and employees accounted for — Sum of items 24 through 34	1172	2				3
36. Sales and employees not accounted for above — Item 33 must have an entry if you are to report amounts on this line.	1173	2				3
37. TOTAL sales and employees — Sum of items 35 and 36, columns (2) and (3) (Total sales must equal item 59 and also item 76.) —>	1174	2				3
		\$				

38. Percentage of e-commerce sales — Of the total sales reported on line 37 column 2, approximately what percentage (rounded to the nearest whole number from 0 to 100) represents e-commerce sales? E-commerce sales consist of orders placed over the Internet, or through an Extranet, an Electronic Data Interchange network, electronic mail, or some other online system. Payment may or may not be made online. DO NOT INCLUDE e-commerce sales to domestic U.S. establishments consolidated into this report. However, INCLUDE sales to foreign and domestic U.S. affiliates NOT consolidated into this report. If none enter zero.

1179

1

%

39. Number of employees covered by collective bargaining agreements — Of the total employees reported in item 37, column (3), what is the number covered by collective bargaining agreements. If none, enter zero. Employees covered by collective bargaining agreements are defined in instruction 39 on page 27 at the back of this form.

1175

1

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1200	1	2	3	4	5
1201	1	2	3	4	5
1202	1	2	3	4	5
1203	1	2	3	4	5

FORM BE-12(LF) (REV. 12/2002)

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Part I

IDENTIFICATION OF U.S. AFFILIATE — Continued

INSURANCE INDUSTRY ACTIVITIES — Premiums earned and losses incurred

Insurance related activities are covered by industry codes 5242 (agencies, brokerages, and other insurance related activities), 5243 (insurance carriers, except life insurance carriers), and 5249 (life insurance carriers).

40a. Of the total sales and gross operating revenues reported on line 37, column 2, were any of the sales or revenues generated by insurance related activities?

1180

1

1

☐ Yes — Answer items 40b and 40c

2

☐ No — Skip to item 41a

NOTE: Complete items 40b and 40c ONLY if item 40a is answered "Yes."

40b. Premiums earned — Calculate as premiums written during the year, plus unearned premiums at the beginning of the year, minus unearned premiums at the end of the year.

1181

1

\$

40c. Losses incurred — For property and casualty insurance, calculate as losses paid during the year, plus the net increase (or minus the net decrease) during the year in case reserves and in losses incurred but not reported. For life insurance, losses reflect policy claims on reinsurance assumed or ceded, or on primary insurance sold, adjusted for changes in claims due, unpaid, and in course of collection. For both types of insurance, do not include loss adjustment expenses.

1182

1

\$

WHOLESALE AND RETAIL TRADE INDUSTRY ACTIVITIES — Goods purchased for resale without further processing

Wholesale trade industry activities include the wholesale trade of durable goods and nondurable goods. The wholesale trade of durable goods is covered by industry codes 4231 through 4239. The wholesale trade of nondurable goods is covered by industry codes 4241 through 4249.

Retail trade industry activities are covered by industry codes 4410, 4420, 4431, 4440, 4450, 4461, 4471, 4480, 4510, 4520, 4530, and 4540.

See the *Guide to Industry and Foreign Trade Classifications for International Surveys, 2002* for a detailed description of each of the wholesale and retail trade industry codes listed above.

41a. Of the total sales and gross operating revenues reported on line 37, column 2, were any of the sales or revenues generated by wholesale or retail trade activities?

1183

1

1

☐ Yes — Answer items 41b and 41c

2

☐ No — Skip to item 42

NOTE: Complete items 41b and 41c ONLY if item 41a is answered "Yes."

41b. Enter the cost of goods purchased for resale without further processing during the fiscal year that ended in calendar year 2002?

1184

\$

41c. Enter the closing balances at the end of fiscal years 2001 and 2002 of the inventory of goods purchased for resale without further processing.

1185

\$

1

2

Remarks

Page 4

FORM BE-12(LF) (REV. 12/2002)



Part II										FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE									
Report all amounts in thousands of U.S. dollars.																			
Section A — BALANCE SHEET																			
NOTE — Disaggregate all asset and liability items in the detail shown; in particular show receivables and payables between the affiliate and the foreign parent(s) and foreign affiliates of the foreign parent(s) in the proper asset and liability accounts of the affiliate rather than as a net amount. Insurance companies see <b>Instruction Booklet</b> , pages 8 and 9, instruction IV.A, for special instructions.										BALANCES									
• ASSETS										Close FY 2002				Close FY 2001					
										(1)				(2)					
										Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.		
42. Cash items — Deposits in financial institutions and other cash items. Do NOT include overdrafts as negative cash. Note — Although including certificates of deposit (CDs) in CASH is permitted by generally accepted accounting principles, exclude from cash CDs and other deposits of the U.S. affiliate held by the foreign parent(s) or foreign affiliates of the foreign parent(s). Include them in item 43, current receivables, below.										1				2					
2101										\$				\$					
43. Current receivables — Trade accounts, trade notes, and other current receivables, net of allowances for doubtful items. Include CDs and other deposits held by the foreign parent(s) or foreign affiliates of the foreign parent(s). (See note in item 42 above.)										1				2					
2102																			
44. Inventories — Land development companies, exclude land held for resale (include in item 45); finance and insurance companies, exclude inventories of marketable securities (include in item 45 or item 48, as appropriate). The primary basis of inventory valuation is (Mark (X) one) <input checked="" type="checkbox"/> 1 <input type="checkbox"/> 2										1				2					
2121 1 1 <input type="checkbox"/> LIFO 3 <input type="checkbox"/> Other — Specify																			
2104 2 <input type="checkbox"/> FIFO																			
45. Other current assets, including land held for resale and current marketable securities.										1				2					
2105																			
46. Equity investment in unconsolidated U.S. affiliates and all foreign operations — For U.S. affiliates and foreign business enterprises owned 20 percent or more (including those that are majority-owned), report on the equity basis to include equity in undistributed earnings since acquisition; for U.S. affiliates and foreign business enterprises owned less than 20 percent, report at cost.										1				2					
2106																			
47. Property, plant, and equipment, net — Include land, timber, mineral rights, structures, machinery, equipment, special tools, deposit containers, construction in progress, and capitalized tangible and intangible exploration and development costs of the affiliate, at historical cost net of accumulated depreciation, depletion, and amortization. Include items on capital leases from others, per FAS 13, and property you own that you lease to others under operating leases. Exclude all other types of intangible assets, and land held for resale. (An unincorporated affiliate should include items owned by its foreign parent but which are in the affiliate's possession in the United States whether or not carried on the affiliate's own books or records.)										1				2					
2107																			
48. Other noncurrent assets — Include other equity investments whether carried at cost or on an equity basis; other investments; intangible assets, net of amortization; and all noncurrent assets not shown in item 46 or 47 above. — Specify major items <input checked="" type="checkbox"/>										1				2					
2108																			
49. TOTAL ASSETS — Sum of items 42 through 48 —————→										1				2					
2109										\$				\$					
• LIABILITIES										1				2					
50. Current liabilities and long-term debt — Trade accounts, trade notes, other current liabilities, and long-term debt.																			
2111										\$				\$					
51. Other noncurrent liabilities — Items other than those identifiable as long-term debt, such as deferred taxes and underlying minority interest in consolidated U.S. subsidiaries. — Specify major items <input checked="" type="checkbox"/>										1				2					
2113																			
52. TOTAL LIABILITIES — Sum of items 50 and 51 —————→										1				2					
2114										\$				\$					
• OWNERS' EQUITY										1				2					
53. Capital stock and additional paid-in capital — Common and preferred, voting and non-voting capital stock and additional paid-in capital.																			
2116										\$				\$					
54. Retained earnings (deficit)										1				2					
2117																			
55. Treasury stock										1				2					
2118										(		)		(		)			
56. Accumulated other comprehensive income (loss)					Close FY 2002				Close FY 2001										
					(1)				(2)										
					Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.							
56a. Translation adjustment component					1				2										
2122					\$				\$										
56b. All other components					1				2										
2128					\$				\$										
56c. Total accumulated other comprehensive income (loss) — Equals sum of 56a. and 56b. —————→										1				2					
2129																			
57. Other — Specify major items <input checked="" type="checkbox"/>										1				2					
2119																			
58. TOTAL OWNERS' EQUITY (INCORPORATED OR UNINCORPORATED U.S. AFFILIATE) — Sum of items 53 through 57 for incorporated U.S. affiliates and those unincorporated U.S. affiliates for which this breakdown is available. For those unincorporated U.S. affiliates that cannot provide a breakdown for items 53 through 57, report total owners' equity in this item. For both incorporated and unincorporated U.S. affiliates, total owners' equity must equal item 49 minus item 52. —————→										1				2					
2120										\$				\$					

Part II					FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE — Continued							
					Report all amounts in thousands of U.S. dollars.							
Section B — INCOME STATEMENT					Amount (1)							
Insurance companies see <b>Instruction Booklet</b> , pages 8 and 9, instruction IV.A, for special instructions.					Bil.		Mil.		Thous.		Dols.	
• INCOME												
59. Sales or gross operating revenues, excluding sales taxes — Gross sales minus returns, allowances, and discounts; or gross operating revenues. Exclude sales or consumption taxes levied directly on the consumer and excise taxes levied directly on manufacturers, wholesalers, and retailers. Include revenues generated during the year from the operations of a discontinued business segment. However, DO NOT include gains or losses on DISPOSALS of discontinued operations. Report such gains and losses on line 61 below. Item 59 must equal item 37, column 2 and also item 76.					1							
2149					\$							
60. Income from equity investments in unconsolidated business enterprises (domestic and foreign) — For those owned 20 percent or more (including those that are majority-owned), report equity in earnings during reporting period; for those owned less than 20 percent, report dividends received. Do not include interest income.					1							
2150												
61. Certain realized and unrealized gains (losses) — Include gains (losses) before income tax effect (which should be included in item 65 below) resulting from:												
a. Sale or disposition of investment securities, and FAS 115 impairment losses. Dealers in financial instruments (including securities, currencies, derivatives, and other financial instruments) and finance and insurance companies, see special instructions on page 27 at the back of this form;												
b. Sale or disposition of land, other property, plant and equipment, or other assets, and FAS 144 impairment losses. DO NOT include gains or losses from the sale of inventory assets in the ordinary course of trade or business. Real estate companies, see special instructions on page 27 at the back of this form;												
c. Goodwill impairment as defined by FAS 142;												
d. Restructuring. Include restructuring costs that reflect write downs or writeoffs of assets or liabilities. DO NOT include actual payments, or charges to establish reserves for future actual payments, such as for severance pay, and fees to accountants, lawyers, consultants, or other contractors. Instead, include actual payments, and charges to established reserves for future actual payments, on line 64 (cost of goods sold or services rendered, and selling, general, and administrative expenses);												
e. DISPOSALS of discontinued operations. DO NOT include income from the operations of a discontinued segment. Report such income as part of your income from operations in items 24 through 37;												
f. Remeasurement of the U.S. affiliate’s foreign-currency-denominated assets and liabilities due to changes in foreign exchange rates during the reporting period;												
g. Extraordinary, unusual, or infrequently occurring items that are material. Include losses from accidental damage or disasters, after estimated insurance reimbursement. Include other material items, including writeups, write downs, and writeoffs of tangible and intangible assets; gains (losses) from the sale or other disposition of capital assets; and gains (losses) from the sale or other disposition of financial assets, including securities, to the extent not included above.					1							
2151												
62. Other income — Nonoperating and other income not included above. — Specify major items ↗					1							
2152												
63. TOTAL INCOME — Sum of items 59 through 62 —————→					1							
2153					\$							
• COSTS AND EXPENSES												
64. Cost of goods sold or services rendered, and selling, general, and administrative expenses — Operating expenses that relate to sales or gross operating revenues, item 59, and selling, general, and administrative expenses. Include production royalty payments to governments, their subdivisions and agencies, and to other persons. Include depletion charges representing the amortization of the actual cost of capital assets, but exclude all other depletion charges. Also exclude goodwill impairment as defined by FAS 142. Report such impairment losses on line 61 above. For guidance on restructuring costs, see item 61d above.					1							
2154					\$							
65. Income taxes — Provision for U.S. Federal, State, and local income taxes. Exclude production royalty payments.					1							
2156												
66. Other costs and expenses not included above, including underlying minority interest in profits and losses that arise out of consolidation. — Specify major items ↗					1							
2157												
67. TOTAL COSTS AND EXPENSES — Sum of items 64 through 66 —————→					1							
2158					\$							
• NET INCOME					1							
68. Net income (loss) after provision for U.S. Federal, State, and local income taxes — Item 63 minus item 67.					1							
2159					\$							
Section C — CHANGE IN RETAINED EARNINGS — If retained earnings is not shown as a separate account, show change in total owners’ equity.												
69. Balance, close FY 2001 before restatement due to a change in the entity (i.e., due to mergers, acquisitions, divestitures, etc.) or due to a change in accounting methods or principles, if any — Enter amount from item 54, column (2); if retained earnings is not shown as a separate account, enter amount from item 58, column (2).					1							
2211					\$							
70. Increase (decrease) to FY 2001 closing balance resulting from restatement due to a change in the entity or a change in accounting methods or principles. — Specify reasons for change ↗					1							
2212												
71. FY 2001 closing balance as restated — Item 69 plus item 70.					1							
2213					\$							
72. Net income (loss) — Enter amount from item 68.					1							
2214												
73. Dividends or remitted earnings — Incorporated affiliate, enter amount of dividends declared, inclusive of withholding taxes, out of current or prior-period income, on common and preferred stock, excluding stock dividends. Unincorporated affiliate, enter amount of current or prior-period net income distributed to owners.					1							
2215												
74. Other increases (decreases) in retained earnings, including stock or liquidating dividends, or in total owners’ equity if retained earnings is not shown as a separate account, including capital contributions (return of capital). — Specify ↗					1							
2217												
75. FY 2002 closing balance — Sum of items 71, 72, and 74 minus item 73; also must equal item 54, column (1) if retained earnings is shown as a separate account, or item 58 column (1) if retained earnings is NOT shown as a separate account.					1							
2218					\$							

Part II		FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE — Continued																				
		Report all amounts in thousands of U.S. dollars.																				
Section D — DISTRIBUTION OF SALES OR GROSS OPERATING REVENUES																						
Distribute sales or gross operating revenues among three categories – sales of goods, sales of services, and investment income. For the purposes of this distribution, "goods" are normally economic outputs that are tangible and "services" are normally economic outputs that are intangible. When a sale consists of both goods and services and cannot be unbundled (i.e., the goods and services are not separately billed), classify the sales as goods or services based on whichever accounts for a majority of the value. Give best estimates if actual figures are not available.																						
NOTE		BEFORE COMPLETING THIS SECTION, PLEASE SEE THE INSTRUCTIONS FOR ITEMS 76 THROUGH 83 STARTING ON PAGE 28 AT THE BACK OF THIS FORM.														Amount (1)						
																Bil.	Mil.	Thous.	Dols.			
		Insurance companies also see <i>Instruction Booklet</i> , pages 8 and 9, instruction IV.A., for special instructions.														1						
76. TOTAL SALES OR GROSS OPERATING REVENUES, EXCLUDING SALES TAXES — Equals item 59, and also sum of items 77 through 79																2243	\$					
77. Sales of goods																2244	\$					
78. Investment income included in gross operating revenues (e.g., generated by finance and insurance subsidiaries or units)																2245	\$					
79. SALES OF SERVICES, TOTAL — Sum of items 80 through 83																2246	\$					
80. To U.S. persons																2247	1					
81. To foreign parent(s) and foreign affiliates of the foreign parent(s) of this U.S. affiliate																2248	1					
82. To foreign affiliates of this U.S. affiliate																2249	1					
83. To other foreign persons																2250	1					
Section E — EMPLOYEE COMPENSATION																						
EMPLOYEE COMPENSATION — All expenditures made by an employer in connection with the employment of workers, including cash payments, payments-in-kind, and employer expenditures for employee benefit plans. Base compensation data on payroll records. Such data should relate to activities during the reporting period regardless of whether such activities were charged as an expense on the income statement, charged to inventories, or capitalized. DO NOT include data related to activities of a prior period, such as those capitalized or charged to inventories in prior periods. <b>Employee compensation is defined more fully in instructions 84–86 on page 28 at the back of this form.</b>																						
84. Wages and salaries — Employees’ gross earnings (before payroll deductions), and all direct and in-kind payments by the employer to employees																2251	\$					
85. Employee benefit plans — Employer expenditures for all employee benefit plans, including those required by statute, such as employer’s Social Security taxes, those resulting from collective bargaining contracts, and those that are voluntary.																2252	1					
86. TOTAL EMPLOYEE COMPENSATION — Sum of items 84 and 85																2253	\$					
Section F – COMPOSITION OF EXTERNAL FINANCES OF U.S. AFFILIATE																						
NOTE — Entries in column (2) correspond to items in Part III and Part IV as follows: item 87, column (2) equals item 239, column (1) for all Part III’s filed + item 276, column (2); item 88, column (2) equals item 240, column (1) for all Part III’s filed + item 290, column (2)		Total Equals sum of columns (2)-(4) (1)				With foreign parent(s) and foreign affiliates of the foreign parent(s) (2)				With other foreign persons, including foreign affiliates of this U.S. affiliate (3)				With U.S. persons (4)								
		Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.					
87. Current liabilities and long-term debt – Column (1) must equal item 50, column (1).		1				2				3				4								
88. Current and noncurrent receivables — Column (1) must equal item 43, column (1), and that part of item 48, column (1), that is noncurrent receivables.		1				2				3				4								
NOTE — Include certificates of deposit and other deposits held by the foreign parent(s) or foreign affiliates of the foreign parent(s) that would otherwise be included in cash, item 42. (See Note in item 42.)		1				2				3				4								
87. Current liabilities and long-term debt – Column (1) must equal item 50, column (1).		1				2				3				4								
88. Current and noncurrent receivables — Column (1) must equal item 43, column (1), and that part of item 48, column (1), that is noncurrent receivables.		1				2				3				4								
NOTE — Include certificates of deposit and other deposits held by the foreign parent(s) or foreign affiliates of the foreign parent(s) that would otherwise be included in cash, item 42. (See Note in item 42.)		1				2				3				4								
BEA USE ONLY		1				2				3				4								
Section G — LAND AND OTHER PROPERTY, PLANT, AND EQUIPMENT																						
Land and other property, plant, and equipment includes all land and other property, plant, and equipment carried anywhere on the U.S. affiliate’s balance sheet, whether or not the intent is to hold and actively use the asset in the operating activity of the business. <b>Land</b> refers to any part of the earth’s surface; <b>other property, plant, and equipment</b> includes timber, mineral and like rights owned, all structures, machinery, equipment, special tools, and other depreciable property, construction in progress, and capitalized tangible and intangible exploration and development costs, but excludes other types of intangible assets. In addition to items carried in property, plant, and equipment (item 47), such items may be carried in other noncurrent assets (item 48), or in other current assets (item 45).																						
Include land, being leased from others under capital leases. Exclude items which the affiliate has sold on a capital lease basis. Include the capitalized value of timber, mineral, and like rights leased by the affiliate from others.																						
89. TOTAL LAND AND OTHER PROPERTY, PLANT, AND EQUIPMENT AT CLOSE OF FY 2002 — Column (2) must equal item 102, column (1) and item 170, column (5).																2354	1	2				
																	\$					
90. Gross book value of land owned — The portion of item 89, column (2), that is the gross book value of land owned for which acreage is reported in item 89, column (1). Include undeveloped and agricultural land, and also the value of land you own that is located under developed properties such as office buildings, apartment buildings, retail buildings, etc. If your accounting and reporting systems do not separately account for land and building components when buildings sit upon land that you own, provide your best estimate of the gross book value of the land owned.																		2356	1			
																			\$			

Part II		FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE — Continued				
		Report all amounts in thousands of U.S. dollars.				
Section G – LAND AND OTHER PROPERTY, PLANT, AND EQUIPMENT — Continued						
SCHEDULE OF CHANGE FROM FY 2001 CLOSING BALANCES TO FY 2002 CLOSING BALANCES		Amount (1)				
• BALANCES AT CLOSE FY 2001, BEFORE RESTATEMENT DUE TO A CHANGE IN THE ENTITY		Bil. Mil. Thous. Dols.				
91. Net book value of all land and other property, plant, and equipment, wherever carried on the balance sheet		1				
2386		\$				
• CHANGES DURING FY 2002						
92. Give amount by which the net book value in item 91 would be restated due to a change in the entity (i.e., due to mergers, acquisitions, divestitures, etc.), if the answer to item 6, 11, or 12 was "Yes," or due to a change in accounting methods or principles. If a decrease, put amount in parentheses. Include in item 61 any gains (losses) resulting from the sale or disposition of U.S. affiliates, and from asset impairments as defined in FAS 144.		1				
2387						
Expenditures — Expenditures cover all acquisitions by, or transfers to, the U.S. affiliate of land and other property, plant, and equipment. Exclude all changes in land and other property, plant, and equipment accounted for by a change in the entity (i.e., due to mergers, acquisitions, divestitures, etc.) or a change in accounting methods or principles during your 2002 fiscal year; include such changes in item 92 above.		1				
Expenditures by the U.S. affiliate for, or transfers into the U.S. affiliate of,						
93. Land — Report expenditures for land except land held for resale. Report land held for resale in item 96.		2388				
94. Mineral rights, including timber — Report capitalized expenditures to acquire mineral and timber rights. Exclude capitalized expenditures for the exploration and development of natural resources. Include those amounts in 95 or 96.		1				
2389						
95.	Plant, equipment, and property other than land and mineral rights (Exclude changes due to mergers and acquisitions. Report them in item 92.)	95. New	2390			1
96.	If it is burdensome to exclude all used plant, equipment, etc., from new, then minor used items may be included in item 95, and only major used items reported in item 96.	96. Used	2391			1
97. Depreciation		2392				
98. Depletion		2393				
99. Net book value of sales, retirements, or transfers out of assets defined for inclusion in this section, and other decreases (increases) — Include divestitures of U.S. affiliates in item 92. Include in item 61 any gains (losses) resulting from the sale or disposition of property, plant, and equipment. — Specify major items		1				
2394						
• BALANCES AT CLOSE FY 2002		1				
100. Net book value — Sum of items 91 through 96, minus sum of items 97 through 99.		2395				
101. Accumulated depreciation and depletion		2396				
102. Gross book value of all land and other property, plant, and equipment, wherever carried on the balance sheet — Sum of items 100 and 101; must also equal item 89, column (2), and item 170, column (5).		1				
2397		\$				
• ADDENDUM						
103. Expensed petroleum and mining exploration and development expenditures — Include expensed expenditures to acquire or lease mineral rights. Do not include expenditures made in prior years that are reclassified in the current year; such expenditures are considered to be expenditures only in the year when initially expended.		1				
2398		\$				
Section H — INTEREST AND TAXES		Amount (1)				
		Bil. Mil. Thous. Dols.				
104. Interest income from all sources (including foreign parents and affiliates), after deduction of taxes withheld at the source. Do not net against interest expense (item 105.)		1				
2400		\$				
105. Interest expense plus interest capitalized, paid or due to all payees (including foreign parents and affiliates), before deduction of U.S. tax withheld by the affiliate. Do not net against interest income (item 104).		1				
2401						
106. Taxes (EXCLUDING income and payroll taxes) and non-tax payments (including production royalties and import and export duties) — Amount paid or accrued for the year, net of refunds or credits, to U.S. Federal, State, and local governments, their subdivisions and agencies for —						
• Sales, consumption, and excise taxes collected by you on goods and services you sold						
• Property and other taxes on the value of assets and capital						
• Any remaining taxes (other than income and payroll taxes)						
• Non-tax liabilities (other than for purchases of goods and services) such as —						
• Import and export duties						
• Production royalties for natural resources						
• License fees, fines, penalties, and similar items						
2402		1				
Section I — TECHNOLOGY		Amount (1)				
Research and development (R&D) expenditures — Include all costs incurred in performing R&D, including depreciation, amortization, wages and salaries, taxes, materials and supplies, allocated overhead, and indirect costs. R&D is defined more fully in instructions 107–112 on page 28 at the back of this form.		Bil. Mil. Thous. Dols.				
NOTE — Items 107 through 110 pertain to R&D performed by the U.S. affiliate, including R&D performed by the U.S. affiliate for others under contract. This is the basis on which National Science Foundation surveys request information on R&D. The FAS 2 measure of R&D (i.e., R&D from which the firm benefits) is the sum of items 108 and 111.		1				
107. R&D performed BY the U.S. affiliate, total — Sum of items 108, 109, and 110		2403				
2403		\$				
108. For own account		2405				
2405		1				
109. For Federal Government (i.e., federally financed R&D)		2406				
2406		1				
110. For others under contract		2407				
2407		1				
111. R&D performed FOR U.S. affiliate by others on a contractual basis		2408				
2408		1				
112. Research and development employees — All employees engaged in R&D, including managers, scientists, engineers, and other professional and technical employees. Research and development employees are defined in instruction 112 on page 28.		Number (1)				
2409		1				
2404		1	2	3	4	5
BEA USE ONLY						
2410		1	2	3	4	5



**REMARKS** — Please use this space for any explanation that may be essential in understanding your reported data.

Part II

FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE — Continued  
Report all amounts in thousands of U.S. dollars.

Section J — EXPORTS AND IMPORTS OF U.S. AFFILIATE — GOODS ONLY, DO NOT INCLUDE SERVICES (software publishers see discussion below under packaged general use computer software)

IMPORTANT NOTES — This section requires the reporting of data on U.S. trade in goods of the U.S. affiliate in the fiscal year that ended in calendar year 2002. Report data on a "shipped" basis, i.e., on the basis of when, where, and to (or by) whom the goods were shipped. This is the same basis as official U.S. trade statistics to which these data will be compared. Do **not** record a U.S. import or U.S. export if the goods did not physically enter or leave (i.e., were not physically shipped to or from) the United States, even if they were charged to the U.S. affiliate by, or charged by the U.S. affiliate to, a foreign person.

U.S. affiliates normally keep their accounting records on a "charged" basis, i.e., on the basis of when, where, and to (or by) whom the goods were charged. The "charged" basis may be used if there is no material difference between it and the "shipped" basis. If there is a material difference, the "shipped" basis must be used or adjustments made to the data on a "charged" basis to approximate a "shipped" basis.

Amounts in this section cover all goods that physically left or entered the U.S. customs area in fiscal year 2002. Include **consigned goods** in the trade figures when shipped or received, even though they are not normally recorded as sales or purchases, or entered into intercompany accounts when initially consigned. Include **capital goods** but exclude the value of ships, planes, railroad rolling stock, and trucks that were temporarily outside the United States transporting people or merchandise.

In-transit goods — Exclude from exports and imports the value of any in-transit goods. In-transit goods are goods that are not processed or consumed by residents in the intermediate

country(ies) through which they transit; the in-transit goods enter those countries only because those countries are along the shipping lines between the exporting and importing countries. In-transit goods are goods that are en route from one foreign country to another via the United States (such as from Canada to Mexico via the United States), and goods en route from one part of the United States to another part via a foreign country (such as from Alaska to Washington State via Canada).

Packaged general use computer software — Include exports and imports of packaged general use computer software. Value such exports and imports at the full transaction value, i.e., the market value of the media on which the software is recorded **and** the value of the information contained on the media. **Do not** include exports and imports of customized software designed to meet the needs of a specific user. This type of software is considered a service and should not be included in trade in goods.

Natural gas distribution — Include the value of natural gas that is exported or imported as trade in goods. **Do not** include as an export or import natural gas that you do not produce or sell at wholesale. The transmitting of natural gas for others via a pipeline without producing or wholesaling the natural gas is considered a service and should not be reported as trade in goods.

Additional instructions for exports and imports are on pages 28 and 29 at the back of this form.

113. For this U.S. affiliate, is there a material difference between the "charged" and "shipped" bases in determining what is U.S. trade, whose trade it is, and the timing and ultimate destination or origin of the trade? See the notes at the top of this page for details.

2500

1

1

☐

Yes

2

1

☐

No

114. On what basis were the trade data in this section prepared? Mark (X) one.

2501

1

1

☐

"Shipped" basis

2

1

☐

"Charged" basis without adjustments, because there is no material difference between the "charged" and "shipped" bases

3

1

☐

"Charged" basis with adjustments to correct for material differences between the "charged" and "shipped" bases.

If there is a material difference between the "charged" and "shipped" bases and the data have not been filed on the "shipped" basis, or the necessary adjustments have not been made to put "charged" basis data essentially on a "shipped" basis, then BEA will require that the data be refiled.

TRADE IN GOODS OF U.S. AFFILIATE WITH ALL FOREIGN PERSONS/ENTITIES

115. TOTAL exports of U.S. affiliates to foreign persons —  
a. For each column, equals sum of items 116 through 125.  
b. Column (1) equals sum of items 142 through 169, column (2).  
c. Column (2) equals sum of items 142 through 169, column (3).  
d. Column (3) plus column (4) equals sum of items 142 through 169, column (4). 

2502

EXPORTS — Shipped by U.S. affiliate to foreign persons (valued f.a.s. U.S. port)

TOTAL			To foreign parent(s) and foreign affiliates of the foreign parent(s)			To foreign affiliates of this U.S. affiliate			To all other foreign persons		
(1)			(2)			(3)			(4)		
Bil.	Mil.	Thous.	Bil.	Mil.	Thous.	Bil.	Mil.	Thous.	Bil.	Mil.	Thous.
1			2			3			4		
\$			\$			\$			\$		

BY PRODUCT — See the "Foreign Trade Classifications" found in Part II of the Guide to Industry and Foreign Trade Classifications for International Surveys, 2002 for a detailed description of the product categories in items 116–125.

116. Food, live animals, beverages, and tobacco (SITC 0 and 1) <div>2503</div>	1	2	Combine entries for columns (3) and (4). <div>3</div>								
117. Crude materials, inedible, except fuels (SITC 2) <div>2504</div>	1	2	3								
118. Mineral fuels, lubricants and related materials (SITC 3) <div>2505</div>	1	2	3								
119. Chemicals and related products (SITC 5) <div>2506</div>	1	2	3								
120. Industrial machinery and equipment (SITC 71–74) <div>2507</div>	1	2	3								
121. Office machines and automatic data processing machines (SITC 75) <div>2508</div>	1	2	3								
122. Telecommunications, sound equipment, and other electrical machinery and parts (SITC 76 and 77) <div>2509</div>	1	2	3								
123. Road vehicles (including air cushion vehicles) and parts (SITC 78) Include all parts that are shipped with the vehicles. Parts that are shipped separately may be in this or another classification.* See NOTE below. <div>2510</div>	1	2	3								
124. Other transport equipment (SITC 79) Include all parts that are shipped with the vehicles. Parts that are shipped separately may be in this or another classification.* See NOTE below. <div>2511</div>	1	2	3								
125. Other products (SITC 4, 6, 8, and 9) — Specify all entries greater than \$10 million <div>2512</div>	1	2	3								

NOTE:

\* Some parts that are shipped separately are included in items 123 and 124, or items 134 and 135; however, others are included in product categories appropriate to the type of part based, not on the part’s end-use, but rather on the main type of material from which it is made or its general function. Major examples of such parts are gasoline and diesel engines (include in item 120 or 131); air conditioners for motor vehicles (include in item 120 or 131); tires and tubes (include in item 125 or 136); and lamps, batteries, and electrical parts for engines (include in item 122 or 133). For more complete information, see the "Foreign Trade Classifications" found in Part II of the Guide to Industry and Foreign Trade Classifications for International Surveys, 2002.

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<div>Part II</div> <div>FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE — Continued</div> <div>Report all amounts in thousands of U.S. dollars.</div> <div>Section J — EXPORTS AND IMPORTS OF U.S. AFFILIATE — GOODS ONLY, DO NOT INCLUDE SERVICES — Continued</div> <div>PLEASE READ INSTRUCTIONS ON PAGE 10 AND ON PAGES 28 AND 29 AT THE BACK OF THIS FORM BEFORE COMPLETING THESE ITEMS.</div>															
<div>TRADE IN GOODS OF U.S. AFFILIATE WITH ALL FOREIGN PERSONS/ENTITIES</div> <div>126. TOTAL imports of U.S. affiliate from foreign persons —</div> <div>a. For each column, equals sum of items 127 through 136 and sum of items 137 through 140.</div> <div>b. Column (1) equals sum of items 142 through 169, column (5).</div> <div>c. Column (2) equals sum of items 142 through 169, column (6).</div> <div>d. Column (3) plus column (4) equals sum of items 142 through 169, column (7). <div>2515</div></div>				IMPORTS — Shipped to U.S. affiliate by foreign persons (valued f.a.s. foreign port)											
				TOTAL			By foreign parent(s) and foreign affiliates of the foreign parent(s)			By foreign affiliates of this U.S. affiliate			By all other foreign persons		
				(1)			(2)			(3)			(4)		
				Bil. Mil. Thous.			Bil. Mil. Thous.			Bil. Mil. Thous.			Bil. Mil. Thous.		
1			2			3			4						
\$			\$			\$			\$						
<div>BY PRODUCT — See the "Foreign Trade Classifications" found in Part II of the <b>Guide to Industry and Foreign Trade Classifications for International Surveys, 2002</b> for a detailed description of the product categories in items 127–136.</div> <div>127. Food, live animals, beverages, and tobacco (SITC 0 and 1) <div>2516</div></div>				1			2			Combine entries for columns (3) and (4).					
										3					
							\$								
128. Crude materials, inedible, except fuels (SITC 2) <div>2517</div>				1			2			3					
129. Mineral fuels, lubricants and related materials (SITC 3) <div>2518</div>				1			2			3					
130. Chemicals and related products (SITC 5) <div>2519</div>				1			2			3					
131. Industrial machinery and equipment (SITC 71–74) <div>2520</div>				1			2			3					
132. Office machines and automatic data processing machines (SITC 75) <div>2521</div>				1			2			3					
133. Telecommunications, sound equipment, and other electrical machinery and parts (SITC 76 and 77) <div>2522</div>				1			2			3					
134. Road vehicles (including air cushion vehicles) and parts (SITC 78) <i>Include all parts that are shipped with the vehicles. Parts that are shipped separately may be in this or another classification.* See NOTE below.</i> <div>2523</div>				1			2			3					
135. Other transport equipment (SITC 79) <i>Include all parts that are shipped with the vehicles. Parts that are shipped separately may be in this or another classification.*See NOTE below.</i> <div>2524</div>				1			2			3					
136. Other products (SITC 4, 6, 8, and 9) — <i>Specify all entries greater than \$10 million</i> <div>2525</div>				1			2			3					
BY INTENDED USE:															
137. Capital equipment and other goods charged by U.S. affiliate to its fixed asset accounts. Item 95 and/or 96 must have an entry. <div>2529</div>				1			2			3					
138. Goods intended for further processing, assembly, or manufacture by this affiliate before resale to others <div>2530</div>				1			2			3					
139. Goods for resale without further processing, assembly, or manufacture by U.S. affiliate <div>2528</div>				1			2			3					
140. Other — <i>Specify major items</i> <div>2531</div>				1			2			3					
Remarks															
<div>NOTE:</div> <div>*Some parts that are shipped separately are included in items 123 and 124, or items 134 and 135; however, others are included in product categories appropriate to the type of part based, not on the part’s end-use, but rather on the main type of material from which it is made or its general function. Major examples of such parts are gasoline and diesel engines (include in item 120 or 131); air conditioners for motor vehicles (include in item 120 or 131); tires and tubes (include in item 125 or 136); and lamps, batteries, and electrical parts for engines (include in item 122 or 133). For more complete information, see the "Foreign Trade Classifications" found in Part II of the <i>Guide to Industry and Foreign Trade Classifications for International Surveys, 2002</i>.</div>															

Part II FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE — Continued							
Report all amounts in thousands of U.S. dollars.							
MERCHANDISE TRADE OF U.S. AFFILIATE WITH ALL FOREIGN PERSONS	BEA USE ONLY	EXPORTS — Shipped by U.S. affiliate to foreign persons (valued f.a.s. U.S. port)			IMPORTS — Shipped to U.S. affiliate by foreign persons (valued f.a.s. foreign port)		
		TOTAL <i>Equals item 115, column (1).</i>	To foreign parent(s) and foreign affiliates of the foreign parent(s) <i>Equals item 115 column (2).</i>	To all other foreign persons <i>Equals item 115, sum of columns (3) and (4).</i>	TOTAL <i>Equals item 126, column (1).</i>	By foreign parent(s) and foreign affiliates of the foreign parent(s) <i>Equals item 126, column (2).</i>	By all other foreign persons <i>Equals item 126, sum of columns (3) and (4).</i>
		(2)	(3)	(4)	(5)	(6)	(7)
	(1)	Bil. Mil. Thous.	Bil. Mil. Thous.	Bil. Mil. Thous.	Bil. Mil. Thous.	Bil. Mil. Thous.	Bil. Mil. Thous.
141. Bring forward amounts from items 115 and 126, pages 10 and 11, which, beginning with item 142, must equal item 169 plus the sum of all countries with entries. 2600	1	2	3	4	5	6	7
		\$	\$	\$	\$	\$	\$
BY COUNTRY OF ULTIMATE DESTINATION OR ORIGIN — Enter amounts for all individual countries to which exports, or from which imports, were \$500,000 or more. Country of ultimate destination or origin is defined in paragraph d of the instructions for items 113-169 that start on page 28 at the back of this form. 142. Australia 2601	601	2	3	4	5	6	7
143 Belgium and Luxembourg 2602	302	2	3	4	5	6	7
144. Brazil 2603	202	2	3	4	5	6	7
145. Canada 2604	100	2	3	4	5	6	7
146. China 2605	650	2	3	4	5	6	7
147. France 2606	307	2	3	4	5	6	7
148. Germany 2607	308	2	3	4	5	6	7
149. Hong Kong 2608	611	2	3	4	5	6	7
150. Indonesia 2609	613	2	3	4	5	6	7
151. Italy 2610	314	2	3	4	5	6	7
152. Japan 2611	614	2	3	4	5	6	7
153. Korea, Republic of 2612	626	2	3	4	5	6	7
154. Malaysia 2613	617	2	3	4	5	6	7
155. Mexico 2614	213	2	3	4	5	6	7
156. Netherlands 2615	319	2	3	4	5	6	7
157. Singapore 2616	625	2	3	4	5	6	7
158. Sweden 2617	324	2	3	4	5	6	7
159. Switzerland 2618	325	2	3	4	5	6	7
160. Taiwan 2619	628	2	3	4	5	6	7
161. Thailand 2620	629	2	3	4	5	6	7
162. United Kingdom 2621	327	2	3	4	5	6	7
Other individual countries to which exports, or from which imports, were \$500,000 or more — Specify (Use supplemental sheets if necessary, to account for all such countries.) 163. 2622		2	3	4	5	6	7
164. 2623		2	3	4	5	6	7
165. 2624		2	3	4	5	6	7
166. 2625		2	3	4	5	6	7
167. 2626		2	3	4	5	6	7
168. 2627		2	3	4	5	6	7
169. Sum of exports to, or imports from, all countries for which exports or imports were less than \$500,000. The sum of this item plus all countries with entries must equal item 115, column (1) for exports and item 126, column (1) for imports. 2698		2	3	4	5	6	7
		\$	\$	\$	\$	\$	\$



Part II

FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE — Continued

Section K — SCHEDULE OF EMPLOYMENT AND PROPERTY, PLANT, AND EQUIPMENT, BY LOCATION

**In column (3),** include all employees on the payroll at the end of the fiscal year that ended in calendar year 2002, including part-time employees. A count taken at some other date during the reporting period may be given provided it is a reasonable proxy for the number on the payroll at the end of the fiscal year. Reporting employment (including how to report when employment is subject to unusual variations) is discussed in more detail under the instructions for items 170–227 on page 29 at the back of this form.

**In column (4),** include all employees on the payrolls of operating manufacturing plants in the State. Include administrative office and other auxiliary employees located at an operating plant and serve only that plant. **Exclude** employees on the payrolls of administrative offices or other auxiliary units reported on page 3, line 34, column 3.

**In column (5),** include land and other property, plant, and equipment, whether carried as investments, in fixed asset accounts, or in other balance sheet accounts. Include land held for resale, held for investment purposes, and all other land owned. Include land and other property, plant, and equipment on capital lease from others, but exclude that on capital lease to others. Include property you own that you lease to others under operating leases.

Value land and other property, plant, and equipment at historical cost before allowances for depreciation or depletion.

**In column (6),** include the gross book value of commercial property you own, and commercial property you use or operate that is leased from others under a capital lease. Commercial property **includes** ALL buildings and associated land leased or rented to others under operating leases. Commercial property **includes** apartment buildings, office buildings, hotels, motels, and buildings used for wholesale, retail, and services trades, such as shopping centers, recreational facilities, department stores, bank buildings, restaurants, public garages, and automobile service stations. **Include** the value of land associated with these buildings. **Include** office buildings and associated land owned by industrial companies but NOT located at industrial sites. **Exclude** furniture and equipment located at commercial property. **Exclude** property you use for agricultural, mining, manufacturing, or other industrial purposes, property you use to support these activities, such as research labs and warehouses, and office buildings located at industrial sites. Also **exclude** educational buildings, hospital and institutional buildings, and all undeveloped land.

LOCATION  Location is defined on page 29 at the back of this form.		State code  (2)	Number of employees at the end of FY 2002 — Total must equal item 37, column (3).	The portion of employees in column (3) that are manufacturing employees	Gross book value (historical cost) of all land and other property, plant, and equipment wherever carried on balance sheet, FY 2002 closing balance. Must equal item 89, column (2), and item 102, column (1).			The portion of column (5) that is commercial property		
			(3)	(4)	(5)			(6)		
			Number	Number	Bil.	Mil.	Thous.	Bil.	Mil.	Thous.
<b>170. TOTAL for each column must equal sum of items 171 through 227</b>	2700		3	4	5	\$		6	\$	
<b>171.</b> Alabama	2701	2 <b>01</b>	3	4	5			6		
<b>172.</b> Alaska	2702	2 <b>02</b>	3	4	5			6		
<b>173.</b> Arizona	2703	2 <b>04</b>	3	4	5			6		
<b>174.</b> Arkansas	2704	2 <b>05</b>	3	4	5			6		
<b>175.</b> California	2705	2 <b>06</b>	3	4	5			6		
<b>176.</b> Colorado	2706	2 <b>08</b>	3	4	5			6		
<b>177.</b> Connecticut	2707	2 <b>09</b>	3	4	5			6		
<b>178.</b> Delaware	2708	2 <b>10</b>	3	4	5			6		
<b>179.</b> Florida	2709	2 <b>12</b>	3	4	5			6		
<b>180.</b> Georgia	2710	2 <b>13</b>	3	4	5			6		
<b>181.</b> Hawaii	2711	2 <b>15</b>	3	4	5			6		
<b>182.</b> Idaho	2712	2 <b>16</b>	3	4	5			6		
<b>183.</b> Illinois	2713	2 <b>17</b>	3	4	5			6		
<b>184.</b> Indiana	2714	2 <b>18</b>	3	4	5			6		
<b>185.</b> Iowa	2715	2 <b>19</b>	3	4	5			6		
<b>186.</b> Kansas	2716	2 <b>20</b>	3	4	5			6		
<b>187.</b> Kentucky	2717	2 <b>21</b>	3	4	5			6		
<b>188.</b> Louisiana	2718	2 <b>22</b>	3	4	5			6		
<b>189.</b> Maine	2719	2 <b>23</b>	3	4	5			6		
<b>190.</b> Maryland	2720	2 <b>24</b>	3	4	5			6		
<b>191.</b> Massachusetts	2721	2 <b>25</b>	3	4	5			6		
<b>192.</b> Michigan	2722	2 <b>26</b>	3	4	5			6		
<b>193.</b> Minnesota	2723	2 <b>27</b>	3	4	5			6		
<b>194.</b> Mississippi	2724	2 <b>28</b>	3	4	5			6		
<b>195.</b> Missouri	2725	2 <b>29</b>	3	4	5			6		
<b>196.</b> Montana	2726	2 <b>30</b>	3	4	5			6		
<b>197.</b> Nebraska	2727	2 <b>31</b>	3	4	5			6		
<b>198.</b> Nevada	2728	2 <b>32</b>	3	4	5			6		
<b>199.</b> New Hampshire	2729	2 <b>33</b>	3	4	5			6		
<b>200.</b> New Jersey	2730	2 <b>34</b>	3	4	5			6		
<b>201.</b> New Mexico	2731	2 <b>35</b>	3	4	5			6		
<b>202.</b> New York	2732	2 <b>36</b>	3	4	5			6		
<b>203.</b> North Carolina	2733	2 <b>37</b>	3	4	5			6		
<b>204.</b> North Dakota	2734	2 <b>38</b>	3	4	5			6		
<b>205.</b> Ohio	2735	2 <b>39</b>	3	4	5			6		
<b>206.</b> Oklahoma	2736	2 <b>40</b>	3	4	5			6		
<b>207.</b> Oregon	2737	2 <b>41</b>	3	4	5			6		
<b>208.</b> Pennsylvania	2738	2 <b>42</b>	3	4	5			6		
<b>209.</b> Rhode Island	2739	2 <b>44</b>	3	4	5			6		
<b>210.</b> South Carolina	2740	2 <b>45</b>	3	4	5			6		
<b>211.</b> South Dakota	2741	2 <b>46</b>	3	4	5			6		
<b>212.</b> Tennessee	2742	2 <b>47</b>	3	4	5			6		
<b>213.</b> Texas	2743	2 <b>48</b>	3	4	5			6		
<b>214.</b> Utah	2744	2 <b>49</b>	3	4	5			6		
<b>215.</b> Vermont	2745	2 <b>50</b>	3	4	5			6		
<b>216.</b> Virginia	2746	2 <b>51</b>	3	4	5			6		
<b>217.</b> Washington	2747	2 <b>53</b>	3	4	5			6		
<b>218.</b> West Virginia	2748	2 <b>54</b>	3	4	5			6		
<b>219.</b> Wisconsin	2749	2 <b>55</b>	3	4	5			6		
<b>220.</b> Wyoming	2750	2 <b>56</b>	3	4	5			6		
<b>221.</b> District of Columbia	2751	2 <b>11</b>	3	4	5			6		
<b>222.</b> Puerto Rico	2752	2 <b>43</b>	3	4	5			6		
<b>223.</b> Virgin Islands	2753	2 <b>52</b>	3	4	5			6		
<b>224.</b> U.S. offshore oil and gas sites	2756	2 <b>65</b>	3	4	5			6		
<b>225.</b> Other U.S. areas – includes Guam, American Samoa, and all other territories and possessions not separately listed	2754	2 <b>60</b>	3	4	5			6		
<b>226.</b> Foreign — See instruction 226 on page 29 at the back of this form.	2758	2 <b>70</b>	3	4	5			6		
<b>227.</b> Other property, plant and equipment — See instruction 227 on page 29 at the back of this form.	2759	2 <b>71</b>			5					

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<div>Part III</div> <div>INVESTMENT AND TRANSACTIONS BETWEEN U.S. AFFILIATE AND FOREIGN PARENT</div>				
<div>File a separate Part III, to report each direct and indirect voting interest held by a foreign parent, in the affiliate, at <b>anytime</b> during the affiliate's fiscal year that ended in calendar year 2002. Use this Part III to report the foreign parent with the largest direct voting interest <b>at year end</b>.</div> <div>If a foreign parent holds <b>both</b> a direct and an indirect interest, in the affiliate, file a separate Part III to report each voting interest.</div>		<div>Use photocopies of this Part III to report all additional direct or indirect voting interests, held by foreign parents, in the affiliate. At the top of each Part III, enter the name of the U.S. affiliate shown in item 1 and primary employer identification number shown in item 4, of this Form BE-12(LF).</div> <div>Do not duplicate positions in, or transactions with, the U.S. affiliate when more than one Part III is filed.</div>		
Section A — IDENTIFICATION OF FOREIGN PARENT AND ULTIMATE BENEFICIAL OWNER				
228. Number of Part III's filed by the U.S. affiliate — If there is only one, enter "1."		30101		<div>BEA USE ONLY</div> <div>Control number</div> <div></div> <div>—</div>
229. Name of foreign parent reported in this Part III.		30111		
230. For the foreign parent named in item 229, this Part III is being used to report — Mark (X) one				
a. ....		30121 <input type="checkbox"/> a <b>direct</b> interest in the U.S. affiliate (as reported in item 13)		
b. ....		30131 <input type="checkbox"/> an <b>indirect</b> interest in the U.S. affiliate (as reported in item 14)		
231. If item 230a is marked — Give percent of —				
			Close FY 2002 (1)	Close FY 2001 (2)
a. voting interest owned . . . . .		3014	1 . %	2 . %
b. equity interest owned . . . . .		3015	1 . %	2 . %
232. Country in which foreign parent named in item 229 —				
a. is incorporated or organized, if a business enterprise, or is a resident, if an individual . . . . .				
b. is located, if a business enterprise and the country is different from that in item 232a . . . . .				
233. Industry code of foreign parent named in item 229 — For a foreign parent that is a business enterprise, determine the industry code based on the primary activity of the single entity named as the foreign parent in item 229. DO NOT determine the industry code based on the foreign parent's world-wide consolidated sales. For an individual, enter code "05."		30181—Secure industry code from list on page 17.		
<div>NOTE</div> <div>Information regarding the ultimate beneficial owner (UBO) in items 234 through 238 is essential; failure to properly complete these items will constitute an incomplete report, which will be returned for completion.</div> <div>Identifying the UBO as "bearer shares" is not an acceptable response. The U.S. affiliate must pursue the identification of the UBO through the managing directors of the entity that issued the bearer shares, or any other officials or intermediaries.</div>				
234. Is the foreign parent named in item 229 the UBO? (Foreign parent and UBO are defined in items II.L. and II.Q. on page 7 of the Instruction Booklet.)		30191 <input type="checkbox"/> Yes — Skip to item 238. 2 <input type="checkbox"/> No — Continue with item 235.		
235. Is the UBO an individual, or an associated group of individuals? (Associated group is defined in item II.D. on page 6 of the Instruction Booklet.)		30201 <input type="checkbox"/> Yes — A name need not be given in item 236, but item 237 must be completed for the individual(s). 2 <input type="checkbox"/> No — Continue with item 236.		
236. Name of UBO		30211		
237. Country of UBO named in item 236, or country of the individual(s) if the answer to item 235 was "Yes."				
238. Industry code of UBO — For a UBO that is a business enterprise, determine the industry code for the primary activity of the UBO based on the UBO's world-wide consolidated sales. For an individual, enter code "05."		30231—Secure industry code from list on page 17.		
Remarks				

Part III		INVESTMENT AND TRANSACTIONS BETWEEN U.S. AFFILIATE AND FOREIGN PARENT — Continued											
NOTE	▶	1. Amounts reported in sections B, C, D, and E must be for the fully consolidated U.S. affiliate. The consolidation rules are found on page 25 at the back of this form.											
		2. If item 230a is marked, complete all items 239 through 261. If item 230b is marked, report any direct transactions or positions between the U.S. affiliate and the foreign parent in items 239, 240, and 252 through 256. Do not duplicate data reported on other Part III's.											
▶ Section B — INTERCOMPANY BALANCES BETWEEN THE U.S. AFFILIATE AND THE FOREIGN PARENT NAMED IN ITEM 229, ACCORDING TO THE BOOKS OF THE U.S. AFFILIATE		BALANCE											
		Close FY 2002 (1)				Close FY 2001 (2)							
		Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.				
See additional instructions for 239 and 240 on page 29 at the back of this form.													
239.	Liabilities owed by U.S. affiliate to foreign parent named in item 229 — current and long-term	3056				1				2			
						\$				\$			
240.	Receivables due to U.S. affiliate from foreign parent named in item 229 — current and long-term. Include certificates of deposit and other deposits of the U.S. affiliate (that would otherwise be included in cash on your balance sheet) held by the foreign parent. See note in item 42 on page 5.	3057				1				2			
▶ Section C — CHANGES IN EQUITY HOLDINGS IN THE U.S. AFFILIATE BY THE FOREIGN PARENT NAMED IN ITEM 229		Report transactions, during the fiscal year that ended in calendar year 2002, by the foreign parent named in item 229 that changed its equity holdings in the U.S. affiliate. <b>Exclude</b> changes caused by carrying net income to the equity account, the payment of stock or cash dividends (other than liquidating dividends), or the distribution of earnings during the period. <b>Exclude</b> the effect of treasury stock transactions with persons other than the foreign parent and reorganizations in capital structure that do not affect total equity. REPORT ALL AMOUNTS AT THE TRANSACTION VALUE, i.e., the value of the consideration given or received by the foreign parent.											
• TRANSACTIONS BETWEEN FOREIGN PARENT AND U.S. AFFILIATE		Amount (1)											
		Bil. Mil. Thous. Dols.											
See additional instructions on page 29 at the back of this form.													
241. Increase in equity interest		3065				1							
						\$							
242. Decrease in equity interest — Include liquidating dividends.		3066				1							
• TRANSACTIONS BETWEEN FOREIGN PARENT AND A PERSON OTHER THAN U.S. AFFILIATE		1											
Acquisition by foreign parent of equity interest in U.S. affiliate from —													
243.	U.S. persons other than the U.S. affiliate	3067											
244. All foreign persons		3068				1							
Sale by foreign parent of equity interest in U.S. affiliate to —													
245.	U.S. persons other than the U.S. affiliate	3069				1							
246. All foreign persons		3070				1							
247. TOTAL — Equals sum of items 241, 243, and 244, minus sum of items 242, 245, and 246		3071				1							
						\$							
• For item 247, enter the amounts by which the transaction value –		For acquisition (1)				For liquidation or sale (2)							
		Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.				
248. exceeds the value carried on the books of the U.S. affiliate		3090				1				2			
						\$				\$			
249. is less than the value carried on the books of the U.S. affiliate		3091				1				2			
						\$				\$			
Remarks													





**FOREIGN PARENT AND UBO INDUSTRY CODES**

- 01** Government and government-owned or -sponsored enterprise, or quasi-government organization or agency
- 02** Pension fund — Government run
- 03** Pension fund — Privately run
- 04** Estate, trust, or nonprofit organization (that part of 5252 that is estates and trusts)
- 05** Individual

Private business enterprise, investment organization, or group engaged in:

- 06** Insurance (2002 ISI codes 5242, 5243, 5249)
- 07** Agriculture, forestry, fishing, and hunting (2002 ISI codes 1110–1140)
- 08** Mining (2002 ISI codes 2111–2127)
- 09** Construction (2002 ISI codes 2360–2380)
- 10** Transportation and warehousing (2002 ISI codes 4810–4939)
- 11** Utilities (2002 ISI codes 2211–2213)
- 12** Wholesale and retail trade (2002 ISI codes 4231–4251 and 4410–4540)
- 13** Banking, including bank holding companies (2002 ISI codes 5221 and 5229)
- 14** Holding companies, excluding bank holding companies (2002 ISI codes 5512 and 5513)
- 15** Other finance (2002 ISI codes 5223, 5224, 5231–5238, that part of 5252 that is not estates and trusts, and 5331)
- 16** Real estate (2002 ISI code 5310)
- 17** Information (2002 ISI codes 5111–5191)
- 18** Professional, scientific, and technical services (2002 ISI codes 5411–5419)
- 19** Other services (2002 ISI codes 1150, 2132, 2133, 5321, 5329, and 5611–8130)

Manufacturing, including fabricating, assembling, and processing of goods:

- 20** Food (2002 ISI codes 3111–3119)
- 21** Beverages and tobacco products (2002 ISI codes 3121 and 3122)
- 22** Pharmaceuticals and medicine (2002 ISI code 3254)
- 23** Other chemicals (2002 ISI codes 3251–3259, except 3254)
- 24** Nonmetallic mineral products (2002 ISI codes 3271–3279)
- 25** Primary and fabricated metal products (2002 ISI codes 3311–3329)
- 26** Computer and electronic products (2002 ISI codes 3341–3346)
- 27** Machinery manufacturing (2002 ISI codes 3331–3339)
- 28** Electrical equipment, appliances, and components (2002 ISI codes 3351–3359)
- 29** Motor vehicles and parts (2002 ISI codes 3361–3363)
- 30** Other transportation equipment (2002 ISI codes 3364–3369)
- 31** Other manufacturing (2002 ISI codes 3130–3231, 3261, 3262, 3370–3399)
- 32** Petroleum manufacturing, including integrated petroleum and petroleum refining without extraction (2002 ISI codes 3242–3244)

<div>Part IV</div> <div>DIRECT TRANSACTIONS OR ACCOUNTS BETWEEN U.S. AFFILIATE AND FOREIGN AFFILIATES OF THE FOREIGN PARENT(S) (FAFP)</div> <div>Report all direct transactions between the U.S. affiliate and FAFP. Do not include any direct transactions, accounts, or balances between the U.S. affiliate and the foreign parent — they must be reported in Part III. Do not net payables against receivables. In Section A, report liabilities and payments to, and, in Section B, report receivables and receipts due from, FAFP by country.</div> <div>Please continue with instructions at the top of the next page before completing items 262 through 290.</div>																	
<div>262. Does the U.S. affiliate have direct transactions with foreign affiliates of any foreign parent?</div> <div><div>4100</div><div><div>1</div><div><input type="checkbox"/> Yes — Complete the rest of Part IV. <b>Do not duplicate amounts reported in Part III</b> — See additional instructions for part IV on page 30 at the back of this form. The instructions on pages 16, 29 and 30 for Part III, Section D, items 252 through 256g also apply to columns (4) through (10). However, for Part IV the instructions apply to the FAFP NOT the foreign parent.</div></div></div> <div><div>2</div><div><input type="checkbox"/> No — SKIP the rest of Part IV</div></div>																	
Country of foreign affiliate of foreign parent Enter amounts of \$2,000,000.00 or greater for all individual countries.			BEA USE ONLY		Current and long-term liabilities or receivables								Interest, including interest on capital leases (after deduction of U.S. tax withheld)				
			(1)		(2)				(3)				(4)				
Section A — U.S. AFFILIATE'S LIABILITIES AND PAYMENTS TO FAFP			Key code		Liabilities of U.S. affiliate TO FAFP								Paid/Accrued				
					Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	
263. Canada			A 4101	1	100	2				3				4			
						\$				\$				\$			
264. United Kingdom			4102	1	327	2				3				4			
265. Netherlands			4103	1	319	2				3				4			
266. Japan			4104	1	614	2				3				4			
267. Other countries — Specify			4105	1		2				3				4			
268.			4106	1		2				3				4			
269.			4107	1		2				3				4			
270.			4108	1		2				3				4			
271.			4109	1		2				3				4			
272.			4110	1		2				3				4			
273.			4111	1		2				3				4			
274.			4112	1		2				3				4			
275. Unallocated by country — Sum of amounts for each country for which each entry is less than \$2,000,000.00.			4113	1		2				3				4			
276. TOTAL — Sum of items 263 through 275			4149	1		2				3				4			
						\$				\$				\$			
Section B — U.S. AFFILIATE'S RECEIVABLES AND RECEIPTS FROM FAFP						Receivables of U.S. affiliate FROM FAFP								Interest received/accrued (after deduction of foreign tax withheld)			
						Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.
277. Canada			4150	1	100	2				3				4			
						\$				\$				\$			
278. United Kingdom			4151	1	327	2				3				4			
279. Netherlands			4152	1	319	2				3				4			
280. Japan			4153	1	614	2				3				4			
281. Other countries — Specify			4154	1		2				3				4			
282.			4155	1		2				3				4			
283.			4156	1		2				3				4			
284.			4157	1		2				3				4			
285.			4158	1		2				3				4			
286.			4159	1		2				3				4			
287.			4160	1		2				3				4			
288.			4161	1		2				3				4			
289. Unallocated by country — Sum of amounts for each country for which each entry is less than \$2,000,000.00.			4162	1		2				3				4			
290. TOTAL — Sum of items 277 through 289			4199	1		2				3				4			
						\$				\$				\$			

Part IV

DIRECT TRANSACTIONS OR ACCOUNTS BETWEEN U.S. AFFILIATE AND FOREIGN AFFILIATES OF THE FOREIGN PARENT(S) (FAFP) — Continued

Enter only one foreign country per line. If more lines than provided are needed in order to list all countries, use additional copied Part IV's and, at the top of the additional Part IV, identify each with the name of the U.S. affiliate shown in item 1 and the primary Employer Identification Number, shown in item 4, of this Form BE-12(LF). An item needs to be reported by country only if it is \$2,000,000.00 or greater for that country.

**In column 9** enter the service number, from the chart on page 20, which represents the predominant type of service reported in column 8. **In column 10** enter the percentage, to the nearest whole percent, of the total value in column 8 accounted for by the type of service specified in column 9.

IMPORTANT

Report all amounts in thousands of U.S. dollars, as illustrated.

EXAMPLE: If figure is **\$1,125,628,000.00** — Report as

Bil.	Mil.	Thous.	Dols.
1	125	628	

Item No.	Key code	Royalties, license fees, and other fees for the use or sale of intangible property (5)				Charges for use of tangible property (6)				Film and television tape rentals (7)				Allocated expenses and sales of services (8)				Service number (9)		Percent to the nearest whole number (10)	
	<b>B</b> 4101	Payments or accruals, whichever occurred first, <b>TO</b> FAFP (after deduction of U.S. tax withheld)																			
		Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.				
<b>263.</b>	4101	5				6				7				8				9	10	%	
		\$				\$				\$				\$							
<b>264.</b>	4102	5				6				7				8				9	10	%	
<b>265.</b>	4103	5				6				7				8				9	10	%	
<b>266.</b>	4104	5				6				7				8				9	10	%	
<b>267.</b>	4105	5				6				7				8				9	10	%	
<b>268.</b>	4106	5				6				7				8				9	10	%	
<b>269.</b>	4107	5				6				7				8				9	10	%	
<b>270.</b>	4108	5				6				7				8				9	10	%	
<b>271.</b>	4109	5				6				7				8				9	10	%	
<b>272.</b>	4110	5				6				7				8				9	10	%	
<b>273.</b>	4111	5				6				7				8				9	10	%	
<b>274.</b>	4112	5				6				7				8				9	10	%	
<b>275.</b>	4113	5				6				7				8				9	10	%	
<b>276.</b>	4149	5				6				7				8							
		\$				\$				\$				\$							
		Receipts or accruals, whichever occurred first, <b>FROM</b> FAFP (after deduction of foreign tax withheld)																			
		Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.	Bil.	Mil.	Thous.	Dols.				
<b>277.</b>	4150	5				6				7				8				9	10	%	
		\$				\$				\$				\$							
<b>278.</b>	4151	5				6				7				8				9	10	%	
<b>279.</b>	4152	5				6				7				8				9	10	%	
<b>280.</b>	4153	5				6				7				8				9	10	%	
<b>281.</b>	4154	5				6				7				8				9	10	%	
<b>282.</b>	4155	5				6				7				8				9	10	%	
<b>283.</b>	4156	5				6				7				8				9	10	%	
<b>284.</b>	4157	5				6				7				8				9	10	%	
<b>285.</b>	4158	5				6				7				8				9	10	%	
<b>286.</b>	4159	5				6				7				8				9	10	%	
<b>287.</b>	4160	5				6				7				8				9	10	%	
<b>288.</b>	4161	5				6				7				8				9	10	%	
<b>289.</b>	4162	5				6				7				8				9	10	%	
<b>290.</b>	4199	5				6				7				8							
		\$				\$				\$				\$							

**DIRECT TRANSACTIONS OR ACCOUNTS BETWEEN U.S. AFFILIATE AND FOREIGN AFFILIATES OF THE FOREIGN PARENT(S) (FAFP) — Continued**

Service number	Type of service
1	Insurance
2	Financial
3	Transportation
4	Computer and information
5	Management, consulting, and public relations
6	Research, development, and testing
7	All other

[illegible]



<div>FORM <b>BE-12(LF) Supplement A (2002)</b> (REV. 12/2002)</div> <div>U.S. DEPARTMENT OF COMMERCE BUREAU OF ECONOMIC ANALYSIS</div> <div><b>LIST OF ALL U.S. AFFILIATES FULLY CONSOLIDATED INTO THE REPORTING U.S. AFFILIATE</b></div> <div>NOTE – If you filed a Supplement A or a computer printout of Supplement A with your 2001 BE-15 report, in lieu of completing a new Supplement A, you may substitute a copy of that Supplement A or computer printout which has been updated to show any additions, deletions, or other changes.</div>		<div><b>BEA USE ONLY</b></div> <div>Name of U.S. affiliate as shown in item 1, Part I of Form BE-12(LF)</div>			<div>Page number</div>				
Supplement A must be completed by a reporting affiliate that consolidates financial and operating data of any other U.S. affiliate(s). The number of U.S. affiliates listed below plus the reporting U.S. affiliate must agree with item 8, Part I of Form BE-12(LF). Continue listing onto as many additional copied pages as necessary.		Primary Employer Identification Number as shown in item 4, Part I of Form BE-12(LF)							
<div><b>BEA USE ONLY</b> (1)</div>		<div>Name of each U.S. affiliate consolidated (as represented in item 8, Part I) (2)</div>		<div>Employer Identification Number used by U.S. affiliate named in column (2) to file income and payroll taxes (3)</div>		<div>Name of U.S. affiliate which holds the direct ownership interest in the U.S. affiliate named in column (2) (4)</div>		<div>Percentage of direct voting ownership which the U.S. affiliate named in column (4) holds in the U.S. affiliate named in column (2). – <i>Enter percentage to nearest tenth.</i> (5)</div>	
1 5111	2			3 –	4			5	. %
1 5112	2			3 –	4			5	. %
1 5113	2			3 –	4			5	. %
1 5114	2			3 –	4			5	. %
1 5115	2			3 –	4			5	. %
1 5116	2			3 –	4			5	. %
1 5117	2			3 –	4			5	. %
1 5118	2			3 –	4			5	. %
1 5119	2			3 –	4			5	. %
1 5120	2			3 –	4			5	. %
1 5121	2			3 –	4			5	. %
1 5122	2			3 –	4			5	. %
1 5123	2			3 –	4			5	. %
1 5124	2			3 –	4			5	. %
1 5125	2			3 –	4			5	. %
1 5126	2			3 –	4			5	. %
1 5127	2			3 –	4			5	. %
1 5128	2			3 –	4			5	. %
1 5129	2			3 –	4			5	. %
1 5130	2			3 –	4			5	. %
1 5131	2			3 –	4			5	. %
1 5132	2			3 –	4			5	. %
1 5133	2			3 –	4			5	. %

BE-12(LF) Supplement A (2002) – LIST OF ALL U.S. AFFILIATES FULLY CONSOLIDATED INTO THE REPORTING U.S. AFFILIATE – Continued					Page number
BEA USE ONLY	(1)	(2)	(3)	(4)	Percentage of direct voting owner- ship which the U.S. affiliate named in column (4) holds in the U.S. affiliate named in column (2). – Enter percentage to nearest tenth.  (5)
1	2		3	4	5
5134			–		–
1	2		3	4	–
5135			–		–
1	2		3	4	–
5136			–		–
1	2		3	4	–
5137			–		–
1	2		3	4	–
5138			–		–
1	2		3	4	–
5139			–		–
1	2		3	4	–
5140			–		–
1	2		3	4	–
5141			–		–
1	2		3	4	–
5142			–		–
1	2		3	4	–
5143			–		–
1	2		3	4	–
5144			–		–
1	2		3	4	–
5145			–		–
1	2		3	4	–
5146			–		–
1	2		3	4	–
5147			–		–
1	2		3	4	–
5148			–		–
1	2		3	4	–
5149			–		–
1	2		3	4	–
5150			–		–
1	2		3	4	–
5151			–		–
1	2		3	4	–
5152			–		–
1	2		3	4	–
5153			–		–
1	2		3	4	–
5154			–		–
1	2		3	4	–
5155			–		–
1	2		3	4	–
5156			–		–
1	2		3	4	–
5157			–		–
1	2		3	4	–
5158			–		–
1	2		3	4	–
5159			–		–

FORM <b>BE-12(LF) Supplement B (2002)</b> (REV. 12/2002)		U.S. DEPARTMENT OF COMMERCE BUREAU OF ECONOMIC ANALYSIS		<b>BEA USE ONLY</b>		Page number					
<b>LIST OF ALL U.S. AFFILIATES IN WHICH THE REPORTING AFFILIATE (AS CONSOLIDATED) HAS A DIRECT OWNERSHIP INTEREST BUT WHICH ARE NOT FULLY CONSOLIDATED</b>				Name of U.S. affiliate as shown in item 1, Part I of Form BE-12(LF)							
NOTE – If you filed a Supplement B or a computer printout of Supplement B with your 2001 BE-15 report, in lieu of completing a new Supplement B, you may substitute a copy of that Supplement B or computer printout to show any additions, deletions, or other changes.											
Supplement B must be completed by a reporting affiliate that files a Form BE-12(LF) and has a direct ownership interest in a U.S. affiliate(s) that is (are) not fully consolidated. The number of U.S. affiliates listed below must agree with item 9, Part I, of Form BE-12(LF). Continue listing onto as many additional copied pages as necessary.				Primary Employer Identification Number as shown in item 4, Part I of Form BE-12(LF)							
<b>BEA USE ONLY</b>		Name of each U.S. affiliate in which a direct interest is held but which is not named in Supplement A		Address of each U.S. affiliate named in column (2) <i>Give number, street, city, State, and ZIP Code</i>		Has affiliate been notified of obligation to file? <i>Mark (X) one</i>		Employer Identification Number used by U.S. affiliate named in column (2) to file income and payroll taxes		Percentage of direct voting ownership interest which the fully consolidated U.S. affiliate named in item 1, Part I, of this Form BE-12(LF), holds in the U.S. affiliate named in column (2) — <i>Enter percentage to nearest tenth.</i>	
(1)		(2)		(3)		(4)		(5)		(6)	
1	2			3	4	1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No		5	6		
6211											
1	2			3	4	1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No		5	6		
6212											
1	2			3	4	1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No		5	6		
6213											
1	2			3	4	1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No		5	6		
6214											
1	2			3	4	1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No		5	6		
6215											
1	2			3	4	1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No		5	6		
6216											
1	2			3	4	1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No		5	6		
6217											
1	2			3	4	1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No		5	6		
6218											
1	2			3	4	1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No		5	6		
6219											
1	2			3	4	1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No		5	6		
6220											
1	2			3	4	1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No		5	6		
6221											

BE-12(LF) Supplement B (2002) – LIST OF U.S. AFFILIATES – Continued

BE-12(LF) Supplement B (2002) – LIST OF U.S. AFFILIATES – Continued		Page number			
BEA USE ONLY	Name of each U.S. affiliate in which a direct interest is held but which is not named in Supplement A (1) (2)	Address of each U.S. affiliate named in column (2) Give number, street, city, State, and ZIP Code (3)	Has affiliate been notified of obligation to file? Mark (X) one (4)	Employer Identification Number used by U.S. affiliate named in column (2) to file income and payroll taxes (5)	Percentage of direct voting ownership interest which the fully consolidated U.S. affiliate named in item "1," Part I, of this Form BE-12(LF), holds in the U.S. affiliate named in column (2). — Enter percentage to nearest tenth. (6)
1	2	3	4	5	6
6222			1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	—	%
1	2	3	4	5	6
6223			1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	—	%
1	2	3	4	5	6
6224			1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	—	%
1	2	3	4	5	6
6225			1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	—	%
1	2	3	4	5	6
6226			1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	—	%
1	2	3	4	5	6
6227			1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	—	%
1	2	3	4	5	6
6228			1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	—	%
1	2	3	4	5	6
6229			1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	—	%
1	2	3	4	5	6
6230			1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	—	%
1	2	3	4	5	6
6231			1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	—	%
1	2	3	4	5	6
6232			1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	—	%
1	2	3	4	5	6
6233			1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	—	%
1	2	3	4	5	6
6234			1 <input type="checkbox"/> Yes 2 <input type="checkbox"/> No	—	%

BENCHMARK SURVEY OF FOREIGN DIRECT INVESTMENT  
IN THE UNITED STATES 2002  
FORM BE-12(LF)  
ADDITIONAL INSTRUCTIONS

**NOTE:** Instructions are cross referenced by number to the items located on pages 1 to 24 of this form.

**Authority** — This survey is being conducted pursuant to the International Investment and Trade in Services Survey Act (P.L. 94-472, 90 Stat. 2059, 22 U.S.C. 3101-3108, as amended, hereinafter "the Act"), and the filing of reports is MANDATORY pursuant to Section 5(b)(2) of the Act (22 U.S.C. 3104).

**Penalties** — Whoever fails to report shall be subject to a civil penalty of not less than \$2,500, and not more than \$25,000, and to injunctive relief commanding such person to comply, or both. Whoever willfully fails to report shall be fined not more than \$10,000 and, if an individual, may be imprisoned for not more than one year, or both. Any officer, director, employee, or agent of any corporation who knowingly participates in such violations, upon conviction, may be punished by a like fine, imprisonment or both (22 U.S.C. 3105).

Notwithstanding any other provision of the law, no person is required to respond to, nor shall any person be subject to a penalty for failure to comply with, a collection of information subject to the requirements of the Paperwork Reduction Act, unless that collection of information displays a currently valid OMB Control Number.

PART I — IDENTIFICATION OF U.S. AFFILIATE

3. Consolidation Rules

**Consolidated reporting by the U.S. affiliate** — A U.S. affiliate must file on a fully consolidated **domestic U.S.** basis, including in the full consolidation all nonbank **U.S. business enterprises** in which it directly or indirectly owns more than 50 percent of the outstanding voting interest. The fully consolidated entity is considered one U.S. affiliate.

A foreign person holding real estate investments that are reportable on the BE-12 must aggregate all such holdings. See **Instruction Booklet**, page 6, instruction I.C. and page 9, instruction IV.D. for details.

Do not prepare your Form BE-12 using the proportionate consolidation method. Except as noted in b. through e. below, consolidate all majority owned U.S. affiliates into your Form BE-12.

**Unless the exceptions discussed in items a, b, c, or e below apply, any deviation from these consolidation rules must be approved in writing each year by BEA.**

The following **exceptions** apply **to the consolidation rules**. If a U.S. affiliate is not consolidated into its U.S. parent's Form BE-12, then it **must** be listed on the Supplement B of its parent's Form BE-12 and **must** file its own Form BE-12(LF), BE-12(SF), or BE-12 BANK.

**a. DO NOT CONSOLIDATE FOREIGN SUBSIDIARIES, BRANCHES, OPERATIONS OR INVESTMENTS NO MATTER WHAT THE PERCENTAGE OWNERSHIP.** Report foreign holdings owned 20 percent or more (including those that are majority-owned) using the equity method of accounting. DO NOT eliminate intercompany accounts for investments reported using the equity method. You may report immaterial foreign investments using the cost method of accounting if this treatment is consistent with your normal reporting practice.

Report foreign holdings owned less than 20 percent using the cost method of accounting.

DO NOT report any foreign holdings of the U.S. affiliate on the Supplement B of the Form BE-12(LF).

**b. Do not consolidate banking activities.** If the nonbank U.S. affiliate reporting on Form BE-12(LF) has a direct or indirect ownership interest in a bank, bank holding company (BHC), or any other banking activity, such as a U.S. wholesale or limited purpose bank, DO NOT consolidate those banking activities into the Form BE-12(LF). Instead, report the bank, BHC, including all of its subsidiaries or units, and any other banking activities, on a Form BE-12 BANK.

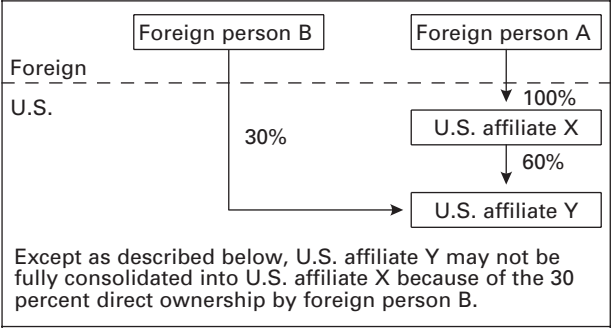
Include on Form BE-12(LF) any banking operations owned 20 percent or more (including those that are majority-owned) using the equity method of accounting. DO NOT eliminate intercompany accounts for banking operations. Report immaterial banking operations and any banking operations owned less than 20 percent using the cost method of accounting if this treatment is consistent with your normal reporting practice.

**c. Special consolidation rules apply to U.S. affiliates that have an ownership interest in a U.S. limited partnership and to U.S. affiliates that are limited partnerships.** See instruction 7b(2) on page 26 for details.

**d.** You may file a separate BE-12 report for a U.S. affiliate that is owned more than 50 percent by another U.S. affiliate if the "owned" U.S. affiliate is not normally fully consolidated because control by the "owning" U.S. affiliate is temporary. **To file separately you must request in writing and receive written permission from BEA each year.** Include such affiliates, if not consolidated, on Form BE-12(LF) using

the equity method of accounting. DO NOT eliminate intercompany accounts for such affiliates not consolidated. In accordance with FAS 94, consolidation of majority-owned subsidiaries is required even if their operations are not homogeneous with those of the U.S. affiliate that owns them.

**e.** A U.S. affiliate in which a direct ownership interest and an indirect ownership interest are held by different foreign persons should not be fully consolidated into another U.S. affiliate, but must complete and file its own Form BE-12(LF), BE-12(SF), or BE-12 BANK. (See diagram below.)



Reflect the indirect ownership interest, even if more than 50 percent, on the balance sheet and income statement of the owning U.S. affiliate's Form BE-12(LF) on an equity basis. For example, in the situation shown in the diagram above, U.S. affiliate X must treat its 60 percent ownership interest in U.S. affiliate Y as an equity investment.

If both the direct and indirect lines of ownership are held by the same foreign person, the affiliate may be fully consolidated and the minority interest not held by the foreign parent either directly or indirectly must be eliminated. Thus, if in the diagram above, U.S. affiliate Y is 30 percent directly owned by Foreign person A instead of Foreign person B, then U.S. affiliate Y may be fully consolidated into U.S. affiliate X. In this example, the 10 percent minority interest that is not owned (directly or indirectly) by Foreign person A is eliminated. Include this 10 percent minority interest in the equity of affiliate Y as part of "other noncurrent liabilities"(item 51) on the balance sheet, and include the 10 percent minority interest in the profits or loss of affiliate Y as part of "other costs and expenses" (item 66) on the income statement.

**5. Reporting period** — The report covers the U.S. affiliate's 2002 fiscal year. The affiliate's 2002 fiscal year is defined as the affiliate's financial reporting year that has an ending date in calendar year 2002.

Special Circumstances:

**a. 52/53 week fiscal year** — Affiliates having a "52/53 week" fiscal year that ends within the first week of January 2003 are considered to have a 2002 fiscal year and should report December 31, 2002 as their 2002 fiscal year end.

**b. U.S. affiliates without a financial reporting year** — If a U.S. affiliate does not have a financial reporting year, its fiscal year is deemed to be the same as calendar year 2002.

c. Change in fiscal year

**(1) New fiscal year ends in calendar year 2002** — A U.S. affiliate that changed the ending date of its financial reporting year **must file a 2002 Form BE-12 that covers the 12 month period prior to the new fiscal year end date.** The following example illustrates the reporting requirements.

**Example 1.** U.S. affiliate A had a June 30, 2001 fiscal year end date but changed its 2002 fiscal year end date to March 31. Affiliate A must file a 2002 Form BE-12 covering the 12 month period from April 1, 2001 to March 31, 2002.

The ending balance sheet amounts reported in column (1) of items 42 through 58 must be the correct balances as of March 31, 2002. The beginning balance sheet amounts reported in column (2) must be the **unrestated ending balances as of June 30, 2001.** To reconcile the beginning and ending retained earnings balances (or, if retained earnings is not shown as a separate account, the beginning and ending owners' equity balances) affiliate A must include an adjusting entry in item 70. To reconcile the beginning and ending net property, plant and equipment balances, affiliate A must include an adjusting entry in item 92.



**PART I — IDENTIFICATION OF U.S. AFFILIATE — Continued**

- (2) No fiscal year ending in calendar year 2002 —** If a change in fiscal year results in a U.S. affiliate not having a fiscal year that ended in calendar 2002, the affiliate **must file a 2002 Form BE-12 that covers 12 months of data.** The following example illustrates the reporting requirements.
- Example 2.** U.S. affiliate B had a December 31, 2001 fiscal year end date but changed its next fiscal year end date to March 31. Instead of having a short fiscal year ending in 2002, affiliate B decides to have a 15 month fiscal year running from January 1, 2002 to March 31, 2003. Affiliate B must file a 2002 Form BE-12 covering a 12 month period ending in calendar year 2002, such as the period from April 1, 2001 to March 31, 2002.
- In this example, the ending balance sheet amounts reported in column (1) of items 42 through 58 must be the correct balances as of March 31, 2002. The beginning balance sheet amounts reported in column (2) must be the **unrestated ending balances as of December 31, 2001.** To reconcile the beginning and ending retained earnings balances (or, if retained earnings is not shown as a separate account, the beginning and ending owners' equity balances) affiliate B must include an adjusting entry in item 70. To reconcile the beginning and ending net property, plant and equipment balances, affiliate B must include an adjusting entry in item 92.
- For 2003, assuming no further changes in the fiscal year end date occur, affiliate B must file a Form BE-15 report covering the 12 month period from April 1, 2002 to March 31, 2003.
- 6. Reporting requirements for a U.S. business enterprise that became a U.S. affiliate during fiscal year 2002 —**
- a. A U.S. business enterprise that was newly established in fiscal year 2002** must report data starting with the establishment date up to, and ending on, the last day of its fiscal year that ended in calendar year 2002. DO NOT estimate data for a full year of operations if the first fiscal year is less than 12 months.
- b. A U.S. business enterprise existing before fiscal year 2002 that became a U.S. affiliate in fiscal year 2002** must report data for all items for a full 12 months of operations.
- 7. Form of organization of U.S. affiliate — Reporting by unincorporated U.S. affiliates**
- a. Directly owned vs. indirectly owned**
- (1) DIRECTLY OWNED —** Each unincorporated U.S. affiliate, including a branch, that is directly owned 10 percent or more by a foreign person must file a separate Form BE-12. Do not combine two or more such directly owned U.S. affiliates on a single Form BE-12. The only exception is for U.S. affiliates that are real estate investments (see **Instruction Booklet**, page 6, instruction I.C., and page 9, instruction IV.D.).
- (2) INDIRECTLY OWNED —** An indirectly owned unincorporated U.S. affiliate owned more than 50 percent by another U.S. affiliate must normally be fully consolidated on the report with the U.S. affiliate that holds the ownership interest in it. An indirectly owned unincorporated U.S. affiliate owned 50 percent or less by another U.S. affiliate must normally file a separate report.
- b. Partnerships —** Limited partners do not have voting rights in a partnership and therefore cannot have direct investment. The existence of direct investment in a partnership is determined by the percentage of control exercised by the general partner(s). The percentage of control exercised by a general partner may differ from its financial interest in the partnership.
- (1) General Partnerships.**

**Determination of voting interest —** "Voting interest" is defined in instructions 13–17 on page 27. The determination of the percentage of voting interest in a general partnership is based on who controls the partnership. The percentage of voting interest is not based on the percentage of ownership in the partnership's equity. The general partners are presumed to control a general partnership. Unless a clause to the contrary is contained in the partnership agreement, a general partnership is presumed to be controlled equally by each of the general partners. For example, if a general partnership has two general partners, and nothing to the contrary is stated in the partnership agreement, each general partner is presumed to have a 50 percent voting interest. If there are three general partners, each general partner is presumed to have a one-third voting interest, etc.

**Managing partners —** If one general partner is designated as the managing partner responsible for the day-to-day operations of the partnership, this does not necessarily transfer control of the partnership to the managing partner. If the managing partner must obtain approval for annual operating budgets, and for decisions relating to significant management issues, from the other general partners, then the managing partner does not have a 100 percent voting interest in the partnership.

**(2) Limited Partnerships.**

- (a) Determination of voting interest —** "Voting interest" is defined in instructions 13–17 on page 27. The determination of the percentage of voting interest in a limited partnership is based on who controls the partnership. The percentage of voting interest is not based on the percentage of ownership in the partnership's equity. In most cases, the general partner is presumed to control a limited partnership, and therefore, have a 100 percent voting interest in the limited partnership. If there is more than one general partner, the partnership is presumed to be controlled equally by each of the general partners, unless a clause to the contrary is contained in the partnership agreement. For example, if a limited partnership has two general partners, and nothing to the contrary is stated in the partnership agreement, then each general partner is presumed to have a 50 percent voting interest in the limited partnership.

Limited partners do not normally exercise any control over a limited partnership. Therefore unless a clause to the contrary is contained in the partnership agreement, limited partners are presumed to have zero voting interest in a limited partnership. If a limited partnership has one or more limited partners who are foreign persons, the foreign persons are presumed to have no voting interest and, therefore, no direct investment in the limited partnership.

**Managing partners —** See discussion under "General Partnerships" above.

**(b) Consolidation Rules**

**Consolidation rules and reporting requirements when:**

- (i) A U.S. affiliate is the only general partner of a U.S. limited partnership —** A U.S. affiliate who is the only general partner of a U.S. limited partnership is presumed to control the partnership (unless a clause to the contrary is contained in the partnership agreement) and must consolidate the operations of the partnership into its Form BE-12. The following example illustrates the reporting requirements.

**Example 1.** Corporation GP, a U.S. affiliate, is the sole general partner of Company LP, a U.S. limited partnership. GP owns 1 percent of the equity of LP. A limited partner owns the remaining 99 percent of the equity. GP is presumed to control LP and must consolidate LP into its Form BE-12. The 99 percent financial interest in the equity of LP held by the limited partner must be reflected on GP's Form BE-12 in item 51 (other noncurrent liabilities). The 99 percent financial interest in the profits or losses of LP held by the limited partner must be reflected in item 66 (other costs and expenses). In addition, LP must be listed on GP's Form BE-12, Supplement A. The Supplement A must show that GP has a 100 percent voting interest in LP.

- (ii) A U.S. affiliate that is a limited partnership has at least two general partners —** If nothing to the contrary is stated in the partnership agreement, the limited partnership is presumed to be controlled equally by each of the general partners. The limited partnership must file a separate Form BE-12. DO NOT CONSOLIDATE the operations of the limited partnership into the BE-12 report of any of the limited partners or general partners. Each general partner, if required to file a Form BE-12, must report the limited partnership using the equity method of accounting. In addition, each general partner must list the limited partnership on its Form BE-12, Supplement B. For example, if there are two general partners, the Supplement B of each general partner must show that they have a 50 percent voting interest in the limited partnership. The reporting requirements for the limited partners are illustrated in example 3 on the next page.

- (iii) A U.S. limited partnership has only one general partner and that general partner is a foreign parent —** The foreign parent is presumed to control the partnership (unless a clause to the contrary is contained in the partnership agreement). The limited partnership must file a separate Form BE-12. DO NOT CONSOLIDATE the operations of the limited partnership into another Form BE-12. The following example illustrates the reporting requirements.

**Example 2.** Corporation GP, located in Canada, is the sole general partner of Company LP, a limited partnership. GP owns 1 percent of the equity of LP. A limited partner owns the remaining 99 percent of the equity. GP is presumed to control LP and own 100 percent of the voting interest in LP. Since GP is located in Canada, LP must file a separate Form BE-12. LP must report GP as its foreign parent in item 13a (ownership held directly by all foreign parents) and report 100 percent voting interest in item 13a column (1) and 1 percent equity interest in item 13a column (3). LP is not required to make any adjustments to its Form BE-12 to reflect the financial interests of the limited partner.

PART I — IDENTIFICATION OF U.S. AFFILIATE — Continued

(iv) **A U.S. affiliate is a limited partner in a U.S. limited partnership** — A U.S. affiliate that is a limited partner in a U.S. limited partnership **must not consolidate** the operations of the limited partnership into its Form BE-12 and **must not list** the limited partnership on either its Supplement A or B. The limited partner is presumed to have zero control over the limited partnership (unless a clause to the contrary is contained in the partnership agreement). The following example illustrates the reporting requirements.

**Example 3:** Assume the same facts as in example 2 above except that Company LP also has a 99 percent limited partnership interest in Company LP2. Since LP is just a limited partner, LP is presumed to have zero control over LP2. LP must not consolidate the operations of LP2 into its Form BE-12. Instead, LP must treat its financial interest in LP2 as an investment. LP must include its 99 percent financial interest in the equity of LP2 in item 48 (other noncurrent assets). LP must include its 99 percent financial interest in the profits or losses of LP2 in item 62 (other income). LP2 must not be listed on LP's Supplement A or B.

c. **Limited Liability Companies (LLCs)**

**Determination of voting interest** — "Voting interest" is defined in instructions 13–17 below. The determination of the percentage of voting interest in an LLC is based on who controls the LLC. The percentage of voting interest is not based on the percentage of ownership in the LLC's equity. LLCs are presumed to be controlled equally by each of its members (owners), unless a clause to the contrary is contained in the articles of organization or in the operating agreement. For example, if an LLC has two members, and nothing to the contrary is contained in the articles of organization or in the operating agreement, then each member is presumed to have a 50 percent voting interest in the LLC; if there are three members, then each member is presumed to have a one-third voting interest in the LLC.

**Managing member** — If one member is designated as the managing member responsible for the day-to-day operations of the LLC, this does not necessarily transfer control of the LLC to the managing member. If the managing member must obtain approval for annual operating budgets, and for decisions relating to other significant management issues from the other members, then the managing member does not have a 100 percent voting interest in the LLC.

9. **U.S. affiliates NOT full consolidated** — Report equity investments in U.S. business enterprises that are owned 20 percent or more (including those that are majority owned) but not fully consolidated using the equity method of accounting. DO NOT eliminate intercompany accounts for investments reported using the equity method. You may report immaterial investments using the cost method of accounting if this treatment is consistent with your normal reporting practice.

Report equity investments owned less than 20 percent using the cost method of accounting.

List all U.S. affiliates in which this U.S. affiliate has a voting interest and that are not consolidated in this Form BE-12(LF) on the Supplement B.

13 – 17 — **Ownership — Voting interest and Equity interest**

- a. **Voting interest** is the percent of ownership in the voting equity of the U.S. affiliate. Voting equity consists of ownership interests that have a say in the management of the company. Examples of voting equity include capital stock that has voting rights, and a general partner's interest in a partnership. See instruction 7b(1) and 7b(2)(a) on page 26 for information about determining the voting interest for partnerships. See instruction 7c above for information about determining the voting interest for Limited Liability Companies.
- b. **Equity interest** is the percent of ownership in the total equity (voting and nonvoting) of the U.S. affiliate. Nonvoting equity consists of ownership interests that do not have a say in the management of the company. An example of nonvoting equity is preferred stock that has no voting rights. Another example is a limited partner's interest in a limited partnership. See instruction 7b(2) on page 26 for information about limited partnerships.

**Voting interest and equity interest are not always equal.** For example, an owner can have a 100 percent voting interest in a U.S. affiliate but own less than 100 percent of the affiliate's total equity. This situation is illustrated in the following example.

**Example:** U.S. affiliate A has two classes of stock, common stock and preferred stock. There are 50 shares of common stock outstanding. Each common share is entitled to one vote and has an ownership interest in 1 percent of the total owners' equity. There are 50 shares of preferred stock outstanding. Each preferred share has an ownership interest in 1 percent of the total owners' equity but has no voting rights. Foreign parent B owns all 50 shares of the common stock. Unaffiliated U.S. investors own all 50 shares of the preferred stock. Since foreign parent B owns all of the voting stock, foreign parent B has a 100 percent voting interest in U.S. affiliate A. However, since all 50 of the nonvoting preferred shares are owned by unaffiliated U.S. investors, foreign parent B has only a 50 percent equity interest in U.S. affiliate A.

24–37

**Industry classification of fully consolidated U.S. affiliate**

**Book Publishers** — Printing books without publishing is classified in international surveys industry (ISI) code 3231 (printing and related support activities) not ISI code 5111 (newspaper, periodical, book, and directory publishers).

**Real Estate Investment Trusts (REITS)** — REITS must allocate their sales based on the activities of their fully consolidated domestic U.S. holdings. For example, a REIT that owns a shopping center, must classify rents generated by the shopping center in international surveys industry (ISI) code 5310 (real estate). A REIT that holds a limited partner's interest in a limited partnership and thus has no vote in the management of the partnership must classify revenues generated by that activity in ISI code 5252 (Funds, trusts and other financial vehicles). A REIT that lends money for mortgages to owners of real estate must classify revenues generated by that activity in ISI code 5224 (non-depository credit intermediation). A REIT that holds only minority voting interests in one or more properties must report revenues generated by those minority interests as "income from equity investments in unconsolidated affiliates" (item 60) and the REIT must be classified in ISI code 5512 (holding companies, except bank holding companies).

39. **Number of employees covered by collective bargaining agreements** — Employees are covered by collective bargaining agreements if:

- a. They are represented by a labor organization which is recognized as their bargaining agent,
- b. Their wages are determined by collective bargaining, and
- c. Settlements are embodied in signed, mutually binding collective bargaining agreements.

Thus, include employees covered by national unions, plant unions, or any other organization meeting these criteria.

A reasonable estimate is acceptable. If necessary, to facilitate estimation, you may consider all employees of a given establishment, plant, location, unit, etc., to be covered by collective bargaining agreements if a majority of those employees meet the three criteria above.

PART II — FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE

Section B — **INCOME STATEMENT**

61. **Certain realized and unrealized gains (losses) — Special instructions for (1) dealers in financial instruments, finance and insurance companies, and (2) real estate companies.**

(1) **Dealers in financial instruments (including securities, currencies, derivatives, and other financial instruments) and finance and insurance companies** — Include in item 61:

- (a) impairment losses as defined by FAS 115,
- (b) realized gains and losses on trading or dealing,
- (c) unrealized gains or losses, due to changes in the valuation of financial instruments, that flow through the income statement, and
- (d) goodwill impairment as defined by FAS 142.

DO NOT include unrealized gains or losses due to changes in the valuation of financial instruments that are taken to other comprehensive income. Reflect such changes in item 56c (total accumulated other comprehensive income (loss)).

DO NOT include income from explicit fees and commissions in item 61. Include income from explicit fees and commissions as part of your income from operations on lines 24 through 37.

(2) **Real estate companies** — Report gains or losses from the sale, disposition, or revaluation of land, other property, plant, and equipment, or other assets as follows:

(a) **Realized gains and losses**

Report the gross amount of revenues earned and expenses incurred from the sale of real estate that you owned. Report the revenues earned from such sales as operating income in items 37 column 2, 59, and 76. Also report the revenues earned as sales of goods in item 77. Report all expenses incurred relating to such sales, including the net book value of the real estate sold, as costs of goods sold in item 64. Do not net the expenses against the revenues. DO NOT report any amounts in item 61.

(b) **Impairment of long-lived assets**

Include impairment losses, as defined by FAS 144 and recognized during the period, in item 61 (certain realized and unrealized gains (losses)).

(c) **Goodwill impairment**

Include goodwill impairment as defined by FAS 142 in item 61 (certain realized and unrealized gains (losses)).

(d) **Unrealized gains**

Include gains recognized due to the revaluation of real estate assets in item 61 (certain realized and unrealized gains (losses)).



**PART II — FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE — Continued**

**Section D — DISTRIBUTION OF SALES OR GROSS OPERATING REVENUES**

**76 — 83**

Diaggregate the total sales or gross operating revenues into sales of goods, investment income, and sales of services.

- 77. Sales of goods** — Goods are normally economic outputs that are tangible. Report as sales of goods:
- Mass produced audio and video tapes and discs, and exposed film.
  - Books NOTE: Book publishers -- Include revenues derived from publishing books (i.e., the design, editing, and marketing activities necessary for producing and distributing books) as sales of goods.
  - Energy trading activities
  - Magazines and periodicals sold in retail stores NOTE: Report subscription sales as sales of services on line 79.
  - Packaged general use computer software
  - Structures sold by businesses in real estate or construction
  - Electricity, Natural gas, and Water NOTE: Revenues derived from transmitting and/or distributing these goods should, to the extent feasible, be reported as sales of services on line 79.

**78. Investment income** —

Report dividends and interest generated by finance and insurance activities as investment income. NOTE: Report commissions and fees as sales of services on line 79.

- 79. Sales of services** — Services are normally economic outputs that are intangible. Report as sales of services:
- Advertising revenue
  - Commissions and fees earned by companies engaged in finance and real estate activities
  - Premiums earned by companies engaged in insurance activities. NOTE: Calculate as premiums written during the year, plus unearned premiums at the beginning of the year, minus unearned premiums at the end of the year.
  - Commissions earned by agents or brokers (i.e., wholesalers) who act on behalf of buyers and sellers in the wholesale distribution of goods. NOTE: Agents or brokers do not take title to the goods being sold.
  - Magazines and periodicals sold through subscriptions NOTE: Report magazines and periodicals sold through retail stores, as sales of goods on line 77.
  - Newspapers
  - Pipeline transportation
  - Software downloaded from the Internet, electronic mail, an Extranet, an Electronic Data Interchange network, or some other online system.
  - Computer systems design and related services
  - Electricity transmission and distribution, Natural gas distribution, and Water distribution

**Section E — EMPLOYEE COMPENSATION**

**84 — 86**

**Total employee compensation** — Employee compensation consists of wages and salaries of employees and employer expenditures for all employee benefit plans.

- 84. Wages and salaries** are the gross earnings of all employees before deduction of employees’ payroll withholding taxes, social insurance contributions, group insurance premiums, union dues, etc. Include time and piece rate payments, cost of living adjustments, overtime pay and shift differentials, bonuses, profit sharing amounts, and commissions. Exclude commissions paid to independent personnel who are not employees.

Wages and salaries include direct payments by employers for vacations, sick leave, severance (redundancy) pay, etc. Exclude payments made by, or on behalf of, benefit funds rather than by the employer. (Employer contributions to benefit funds are included in employee benefit plans.)

Wages and salaries include in-kind payments, valued at their cost, that are **clearly and primarily of benefit to the employees as consumers**. Do not include expenditures that benefit employers as well as employees, such as expenditures for plant facilities, employee training programs, and reimbursement for business expenses.

- 85. Employee benefit plans** are employer expenditures for all employee benefit plans, including those required by government statute, those resulting from a collective-bargaining contract, or those that are voluntary. Employee

benefit plans include Social Security and other retirement plans, life and disability insurance, guaranteed sick pay programs, workers’ compensation insurance, medical insurance, family allowances, unemployment insurance, severance pay funds, etc. If plans are financed jointly by the employer and the employee, include only the contributions of the employer.

**Section I — TECHNOLOGY**

**107 — 112**

**Research and development** — R&D includes basic and applied research in the sciences and engineering. It also includes design and development of new products and processes and enhancement of existing products and processes.

R&D includes activities carried on by persons trained, either formally or by experience, in the physical sciences such as chemistry and physics, the biological sciences such as medicine, and engineering and computer science. R&D includes these activities if the purpose is to do one or more of the following things:

- a. Pursue a planned search for **new knowledge**, whether or not the search has reference to a specific application (Basic research);
- b. Apply **existing knowledge** to problems involved in the **creation of a new product or process**, including work required to evaluate possible uses (Applied research); or
- c. Apply **existing knowledge** to problems involved in the **improvement of a present product or process**. (Development).

R&D includes the activities described above whether assigned to separate R&D organizational units of the company or carried out by company laboratories and technical groups not a part of an R&D organization.

- 107. Research and development expenditures** — Include all Research and development (R&D) performed BY the U.S. affiliate for its own account or for others, including the foreign parent and foreign affiliates of the foreign parent. Include all costs incurred in performing R&D, including depreciation, amortization, wages and salaries, taxes, materials and supplies, overhead and all other indirect costs. Exclude the cost of all R&D funded by the U.S. affiliate but performed by others. Report such R&D in item 111 (R&D performed FOR U.S. affiliate by others on a contractual basis).

- 112. Research and development employees** are scientists, engineers, and other professional and technical employees, including managers, who spend all or a majority of their time engaged in scientific or engineering R&D work, at a level that requires knowledge of physical or life sciences, engineering, or mathematics at least equivalent to that acquired through completion of a four-year college course with a major in one of these fields (i.e., training may be either formal or by experience).

**Section J — EXPORTS AND IMPORTS OF U.S. AFFILIATE**

**113 — 169**

**U.S. trade in goods (exports and imports)** — Report the data on U.S. trade in goods between U.S. affiliates and foreign persons on a "shipped" basis, not the "charged" basis. See **"IMPORTANT NOTES"** at the top of page 10 for more details. Differences between the "charged" and "shipped" bases may be substantial. A major difference arises when a U.S. affiliate buys goods in country A and sells them in country B, but the goods are shipped directly from country A to country B. Because the goods did not physically enter or leave the United States, they are not U.S. trade. However, when the U.S. affiliate records the transactions on its books, it would show a purchase charged to it from country A and a sale charged by it to country B. If the U.S. affiliate’s trade data in this survey were prepared on the "charged" basis, the purchase and sale would appear incorrectly as a U.S. import and U.S. export, respectively. Other differences arise when the U.S. affiliate charges the sale of its products to a foreign parent in one country, but ships the goods directly from the United States to an unaffiliated foreign person in another country. If the data are on the "shipped" basis, this should be a U.S. export to an unaffiliated foreign person, not to the foreign parent, and the destination should be the country of the unaffiliated foreign person, not that of the foreign parent.

If a material difference exists between the "charged" and "shipped" basis, trade must be reported on the "shipped" basis. To do this, the U.S. affiliate may have to derive the data from export and import declarations filed with U.S. Customs or from shipping and receiving documents, rather than from accounting records, or may have to otherwise adjust its data from a "charged" to a "shipped" basis.

- a. **Definition of U.S. trade in goods** — The phrases "U.S. trade in goods," "U.S. goods exports," and "U.S. goods imports" refer to physical movements of goods between the customs area of the United States and the customs area of a foreign country. See **"IMPORTANT NOTES"** at the top of page 10 for more details.
- b. **Timing** — Only include goods actually shipped between the United States and a foreign country during FY 2002 regardless of when the goods were charged or consigned. For example, include goods shipped by the U.S. affiliate in FY 2002 that were charged or consigned in FY 2003, but exclude goods shipped in FY 2001 that were charged or consigned in FY 2002.

**PART II — FINANCIAL AND OPERATING DATA OF U.S. AFFILIATE — Continued**

- c. Trade of the U.S. affiliate** — Goods shipped by, or to, the U.S. affiliate whether or not they were actually charged or consigned by, or to, the U.S. affiliate, are considered to be trade of the U.S. affiliate.
- d. Country of ultimate destination or origin** — The country of ultimate destination is the country where the goods are to be consumed, further processed, or manufactured, **as known to the shipper at the time of exportation. If the shipper does not know the country of ultimate destination, credit the shipment to the last country to which the shipper knows that the goods will be shipped in the same form as when exported.** The country of origin is the country where the goods were grown, mined, or manufactured. **In instances where the country of origin cannot be determined, credit the transactions to the country from which the goods were shipped.**
- e. By (or to) whom goods were shipped** — Shipment by, or to, an entity refers to the physical movement of merchandise to or from the U.S. customs area by, or to, that entity regardless of by, or to, whom the goods were charged or consigned. For example, if the U.S. affiliate charges goods to a foreign parent in France but ships the goods to an unaffiliated foreign person in Switzerland, record the goods as U.S. goods exports by the U.S. affiliate to the unaffiliated foreign person in Switzerland.

NOTE: Goods shipped by an independent carrier or a freight forwarder at the expense of an entity are shipments by the entity.

- f. Valuation of exports and imports** — Value U.S. goods exports and imports f.a.s. (free alongside ship) at the port-of-exportation. This includes all costs incurred up to the point of loading the goods aboard the export carrier at the U.S. or foreign port of exportation, including the selling price at the interior point of shipment (or cost if not sold), packaging cost, and inland freight and insurance. It excludes all subsequent costs such as loading costs, U.S. and foreign import duties, and freight and insurance from the port of exportation to the port of entry.

**Section K — SCHEDULE OF EMPLOYMENT AND PROPERTY, PLANT, AND EQUIPMENT, BY LOCATION**

**170 — 227**

The Schedule of Employment and Property, Plant, and Equipment, by Location covers the 50 States, the District of Columbia, and all territories and possessions of the United States. Include in this schedule only data pertaining to those U.S. business enterprises that are fully consolidated into the reporting U.S. affiliate. Do not consolidate or include data for foreign business enterprises or operations, whether incorporated or unincorporated.

**Column (3) Number of employees** — Employment is the number of full-time and part-time employees on the payroll at the end of FY 2002, excluding home workers and independent sales personnel who are not employees. If employment at the end of FY 2002, or the count taken at some other time during FY 2002, was unusually high or low because of temporary factors (e.g., a strike), give the number of employees that reflects normal operations. If the business enterprise's activity involves large seasonal variations, give the average number of employees for FY 2002. If given, the average should be the average for FY 2002 of the number of persons on the payroll at the end of each payroll period, month, or quarter. If precise figures are not available, give your best estimate.

**Location** of employees or of an asset is the U.S. State, territory, or possession in which the person is permanently employed, or in which the land or other property, plant, and equipment is physically located and to which property taxes, if any, on such assets are paid. For example, an employee permanently based and carried on the payroll of a company located in California, who is on a duty assignment of one year or less in Texas at the end of the reporting period, should be shown as located in California rather than Texas.

**226. Foreign** — Use the category "foreign" to report fixed assets that belong to and are carried directly on the books of the consolidated domestic U.S. affiliate, but are located outside of the United States. Do not include on the foreign line employees who are on a duty assignment outside of the United States for one year or less. Include such employees in the U.S. state, territory or possession where they are normally located. In most cases do not include any employees on the foreign line. One exception is when employees located outside of the United States for more than one year are carried on the payroll of the domestic U.S. affiliate. Such employees should be reported on the foreign line. Do not include on the foreign line employees located outside of the United States for more than a year if they are carried on the payroll of a foreign company. Such employees do not belong on the Form BE-12(LF).

**227. Other property, plant, and equipment** — Use the category "other property, plant, and equipment" to report (1) items that frequently switch locations such as aircraft, railroad rolling stock, ships of U.S. registry, and trucks engaged in interstate transportation, (2) items such as pipelines, fiber optic cable, power lines, etc., located in more than one state, (3) satellites, and undersea cable, and (4) property leased to others, except land or buildings, under operating leases.

**PART III — INVESTMENT AND TRANSACTIONS BETWEEN U.S. AFFILIATE AND FOREIGN PARENT**

**Section B — INTERCOMPANY BALANCES BETWEEN THE U.S. AFFILIATE AND THE FOREIGN PARENT NAMED IN ITEM 229, ACCORDING TO THE BOOKS OF THE U.S. AFFILIATE**

**239 — 240**

For leases between the U.S. affiliate and the foreign parent that are capitalized, report the outstanding lease obligations, or receivables, and any related interest liabilities or receivables in items 239 or 240.

**Section C — CHANGES IN EQUITY HOLDINGS IN THE U.S. AFFILIATE BY THE FOREIGN PARENT**

**241. Increase in equity interest**

**Incorporated U.S. affiliate** — Report purchases of capital stock by the foreign parent from the U.S. affiliate and other contributions by the foreign parent of equity capital not resulting in the issuance of stock to the foreign parent by the U.S. affiliate.

**Unincorporated U.S. affiliate** — Report the foreign parent's share of any increase in the U.S. affiliate's equity (or home office account), excluding amounts reported in items 239, 240, 258, 259, and 261.

**242. Decrease in equity interest**

**Incorporated U.S. affiliate** — Report sales of capital stock by the foreign parent to the U.S. affiliate, returns of contributed equity capital to the foreign parent not resulting in a reduction of issued stock, and distributions to the foreign parent (excluding stock or cash dividends, and payments on debt owed to the parent).

**Unincorporated U.S. affiliate** — Report the foreign parent's share of any decrease in the U.S. affiliate's equity (or home account), excluding amounts reported in items 239, 240, 251, 258, 259, and 261.

**Section D — PAYMENTS AND RECEIPTS OF DIVIDENDS, DISTRIBUTED EARNINGS, INTEREST, ROYALTIES AND LICENSE FEES, AND OTHER SERVICES BETWEEN U.S. AFFILIATE AND FOREIGN PARENT**

**253. Royalties, license fees, and other fees for the use or sale of intangible property** — **NOTE:** Companies that rent videos and discs from/to their foreign parent or that exhibit motion pictures or distribute or produce motion pictures that they provide to, or receive from, their foreign parent must report data on line 255 (film and television tape rentals) not line 253.

**256. Allocated expenses and sales of services by type** —

- b. Financial services** — Report payments and receipts for the following types of financial services:
  - Brokerage including foreign exchange brokerage,
  - Private placement of securities,
  - Underwriting of securities,
  - Financial management,
  - Credit-related services,
  - Financial advisory and custody services,
  - Securities lending,
  - Origination fees in connection with over-the-counter derivative financial instruments, but only if the fees are separately identified in transaction documentation issued by the dealers in the instruments to the customers, and are not considered undifferentiated components of overall trading or market making gains,

All other financial services — including

- Asset pricing,
- Security exchange listing fees,
- Demand deposit fees,
- Securities rating services,
- Electronic funds transfer,
- Check processing fees,
- Mutual fund exit fees, load charges, and "12b-1" service fees,
- Securities redemption or transfer,
- ATM network services,
- Securities or futures clearing and settling services.

**PART III — INVESTMENT AND TRANSACTIONS BETWEEN U.S. AFFILIATE AND FOREIGN PARENT — Continued**

**DO NOT report as financial services:**

- Fees for commodity or merchandise brokerage services,
  - Earnings from buying and selling (i.e., trading) commercial paper or other securities for your own account,
  - Gains or losses due to selling or revaluing securities,
  - Funding for sales promotion and representative offices (report in item 256g "other" services),
  - Interest under repurchase or reverse repurchase agreements,
  - Earnings from dealer markups on buy and sell transactions (i.e., bid/ask price spreads),
  - Real estate brokerage fees,
  - Business brokerage fees,
  - Annuity purchases and payments to annuitants,
  - Pension fund contributions and benefits,
  - Earnings of principals from buying and selling of financial instruments,
  - Bid/ask price spreads and trading profits on dealing in foreign currencies, securities, and other financial instruments,
  - Insurance premiums and losses, and commissions on insurance,
  - Interest and dividend receipts and payments
- c. Transportation** — Payments by the U.S. affiliate to the foreign parent for carrying merchandise from foreign destinations to the United States **and between foreign destinations**; receipts by the U.S. affiliate from the foreign parent for carrying merchandise from the United States to foreign destinations and for carrying freight between foreign destinations.
- d. Computer and information services** — Report payments and receipts for:
- (1)** Data entry processing (both batch and remote), and tabulation; computer systems analysis, design, and engineering; custom software and programming services (including web site design); integrated hardware/software systems; and other computer services (e.g., timesharing, maintenance, web site management, and repair).
  - (2)** Business and economic data base services, including business news, stock quotation, and financial information services; medical legal, technical, demographic, bibliographic, and similar data base services; general news services, such as those purchased from a news syndicate; direct non-bulk subscriptions (including online) to newspapers and periodicals; and other information services, including reservation systems and credit reporting and authorization systems. For airline reservation systems, include booking fees from foreign carriers for the use of your reservation system, whether accessed directly or by a U.S. or foreign travel agent.

- e. Management, consulting, and public relations services** — Include (1) management services; (2) consulting services, except computer consulting services which belong in item 256d; and (3) public relations services.
- f. Research, development, and testing services** — Include commercial and noncommercial research, product development services, and testing services.

**PART IV — DIRECT TRANSACTIONS OR ACCOUNTS BETWEEN U.S. AFFILIATE AND FOREIGN AFFILIATES OF THE FOREIGN PARENT(S) (FAFP)**

**262 — 290**

**Columns (2) and (3) — Current and long-term liabilities or receivables.** Include all intercompany accounts or indebtedness of the U.S. affiliate with the FAFP whether current or long-term.

For leases between the U.S. affiliate and the FAFP that are capitalized, report the outstanding lease obligations, or receivables, and any related interest liabilities or receivables in columns (2) and (3).

**Column (5) — Royalties, license fees, and other fees for the use or sale of intangible property. NOTE:** Companies that rent videos and discs, from/to a FAFP must report data in column (7) (film and television tape rentals) not column (5). Companies that exhibit motion pictures or distribute or produce motion pictures that they provide to, or get from, a FAFP must report data in column (7) (film and television tape rentals) not column (5).

**Column 6 — Charges for use of tangible property.** See instruction for item 254 on page 16 of this form.

**Column 7 — Film and television tape rentals.** See instructions for column (5) above.

**Column 8 — Allocated expenses and sales of services.** In addition to the instructions below for insurance services, also see the instructions for items 256b through 256g on pages 16, 29 and 30 of this form. However, for Part IV, the instructions apply to the FAFP NOT the foreign parent.

**Insurance services** — To avoid duplication with other BEA surveys report **ONLY** the following:

In items 263 through 276, column 8, report payments or accruals, whichever occurred first, by the U.S. affiliate for the purchase of primary insurance from FAFPs.

In items 277 through 290, column 8, report receipts or accruals, whichever occurred first, from FAFPs to the U.S. affiliate, for losses covered by insurance reported in items 263 through 276, column 8.